Daily Report

East Europe

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Pact Group on Conventional Weapons Meets

LD181811 Budapest Domestic Service in Hungarian 1730 GMT 18 Dec 87

[Text] The Warsaw Pact working group of experts dealing with reducing armed forces and conventional armaments in Europe has held a meeting in Budapest. They discussed how, in the wake of the Soviet-U.S. missile agreement, working out the mandate on reducing armed forces and conventional armaments in Europe could be speeded up. The goal is that substantive talks should begin at the Vienna consultations of the 23 in the near future.

GDR Official on CEMA Computer Program

AU301558 Budapest MAGYAR HIRLAP in Hungarian 29 Dec 87 p 5

[Interview with Dieter Walter, deputy general manager of the GDR Robotron Electronics Combine, by Laszlo Kulcsar:"Interview in Dresden on Computer Science—Where Should the CEMA Silicon Valley Be Established?—Dr Dieter Walter: As Long as There is Cocom, We Can Rely Only On Our Own Development"—date not given]

[Excerpts] [Passage omitted] [Kulcsar] It must be accepted as fact that the CEMA countries have also been lagging behind the developed capitalist countries in computer technology; there is a considerable lag, primarily in the development and production of personal computers and, of course, in the quality and price of these products. As one of the most competent experts in the GDR, what is your opinion about this?

[Walter] I do not deny this fact. No CEMA country plays a leading role on the world market for computer technology. [passage omitted]

We can eliminate this backwardness only if we spare no effort to ensure that the advantage of others does not increase further in our detriment. The decisions referring to the GDR electronics industry serve this goal. In my opinion, we are lagging 2.5-3 years behind the world standard in electronics. There are people who talk of double that time.

[Kulcsar] In concrete terms, what is needed for progress?

[Walter] The elimination of CEMA's outdated management methods, the modernization of the community, and its renewal and reform are urgent requirements. [passage omitted]

[Kulcsar] What is the reason for the very small proportion of computer technology products in the Hungarian-GDR bilateral turnover of goods, and for the decreasing trend in this proportion?

[Walter] Demands and interests do not meet. We want to sell something else, not what the Hungarians would like to buy, and vice versa. The other reason: Development concepts have been quite different for some time. [passage omitted]

Another problem is the way to eliminate backwardness. In our opinion, there is a need for development. As long as the Cocom list exists, we are left to ourselves. There are a lot of products and production technologies in the electronic and computer industries under Cocom embargo. The demanding development, however, cannot be carried out without the new results achieved in this field in the world. [passage omitted]

[Kulcsar] In your opinion, what marks the cooperation between the Robotron and the Hungarian enterprises? Can you imagine the development of stronger contacts, perhaps the establishment of a joint enterprise?

[Walter] [Passage omitted] Definitely: Cooperation must be deepened and widened. But before talking about joint enterprises, we must first work out the economic and organizational regulations. We can have a car, fuel, and new tires in vain if we have not decided where to travel, what road to use, what speed to travel.... The CEMA officials must work this out. [passage omitted]

CSSR, Soviet Delegates Comment on CSCE Talks

LD181815 Prague CTK in English
1328 GMT 18 Dec 87

[Text] Vienna Dec 18 (CTK correspondent)—The results of the discussions of the Soviet and U.S. supreme representatives Mikhail Gorbachev and Ronald Reagan and the signing of the treaty on the liquidation of medium- and shorter-range missiles is expected to positively influence the work of the Vienna follow-up meeting, deputy head of the Czechoslovak delegation Jiri Oprsal stressing here today.

He expressed the hope that the results of the Soviet-U.S. summit meeting will contribute to the achievement of significant results in the political, military, economic and humanitarian spheres in Vienna. The treaty, which is a victory of reason and high political responsibility, is of historic significance and creates a milestone on the road towards a nuclear-free world.

He pointed out the recent proposal by the socialist countries to create a mechanism of cooperation and consultations in the sphere of human rights and humanitarian questions, whose aim is the transition from confrontation to cooperation. The Czechoslovak representative also stressed the proposal to hold an economic forum of the Helsinki Final Act signatories in Prague and underlined that Czechoslovakia ascribes extraordinary importance to the development of the economic, scientific, technological and ecological cooperation.

Jiri Oprsal said that the discussions in Vienna have always been difficult and expressed the hope that a quick and successful conclusion will be reached.

The discussions in Vienna will be resumed on January 22.

Head of the Soviet delegation to the Vienna discussions Yuriy Kashlev stressed that the course of the negotiations is not satisfactory but also not tragic.

He underlined that the discussions have been for a long time impeded by the NATO states which were unable to agree on a common standpoint on the questions of military security. Now their attitude is more realistic in this respect. But the Western demands in the humanitarian sphere are completely unrealistic, Kashlev stressed, adding that the West is still unwilling to search for an acceptable compromise.

Alia Greets Romanian Leader on National Day

AU301110 Tirana ATA in English
0935 GMT 30 Dec 87

[Text] Tirana, December 30 (ATA)—The president of the Presidium of the People's Assembly, Comrade Ramiz Alia, and the chairman of the Council of Ministers of the People's Socialist Republic of Albania, Comrade Adil Carcani, sent the following message of greetings to the president of the Socialist Republic of Romania, Nicolae Ceaucescu, and the premier of the Socialist Republic of Romania, Constantin Dascalescu:

"On occasion of the 40th anniversary of the proclamation of the Republic, on behalf of the Albanian people, the Presidium of the People's Assembly, the Council of Ministers of the People's Socialist Republic of Albania, and in our names, we convey to you and the Romanian people the best greetings and wishes for the constant progress and prosperity of the country.

"We wish that the traditional friendship between the Albanian people and the Romanian one develop constantly."

Soviet Concept of 'General Security' Scored

AU301225 Tirana ZERI I POPULLIT
in Albanian 25 Dec 87 p 4

[Bardhyl Cani article: "Revisionist Illusions of 'General Security'"]

[Text] The propagation of political theories and concepts with a hegemonistic content has increased in Soviet political literature since the signing of the Soviet-American treaty to eliminate medium-range nuclear missiles. Revisionist Soviet theoreticians are noisily promoting the political theory of "general security," which pretends to be a fundamental political theory for international relations and a regulator, not only of world politics, but of the manner of thought and action of all states in the world community. "General security," the Soviet commentator Kapchenko writes, "has a general philosophical and practical starting point and aim, and is not bound to the interests of a single class, nor of a single nation, but expresses the common interests of all mankind."

In advancing the possibility of "general security," the Soviet revisionists totally deny the possibility of specific security, under the pretext that in the present nuclear age there is no point in nourishing illusions of defending national realities with those technical and military means which are available. Such an idea not only aims at spreading fatalism and defeatism, but at instilling into particular peoples and states the idea that they will find their safety and defense in "general security." The dangerous aim and character of such viewpoints is obvious, since they call upon the people to give up every effort for national defense. This must be understood not only in the material sense of military preparation, of which the superpowers wish to entirely deprive the peoples, in order to subject them to their sway more easily; it must be understood in a broader ideological and political sense, as a call to abandon the very concept of defending freedom and national independence, and of national character and identity itself.

Soviet opposition, in the name of "general security," to the peoples' right and duty to defend their freedom and independence, is a frank admission of the imperialist attitudes which have characterized Soviet foreign policy in particular and revisionism and imperialism in general, and which are aimed precisely against the freedom and independence of peoples and sovereign states. Neither the military preparedness of the people nor the development and strengthening of independence and national sovereignty find favor with imperialism and revisionism, since if you formulate the need to defend freedom and independence, you have to define the forces that threaten these things. These forces are the imperialist powers, and primarily the two superpowers, who for this very reason are such great opponents of the freedom and independence of the peoples and of the security of sovereign nations and states. Ramiz Alia stressed at the Ninth AWP Congress: "They are transforming the world into a battlefield in which each superpower attempts with all the strength it possesses to secure its political hegemony and economic dominance over every continent."

The revisionist notion of "general security" emerges in frank opposition to the security of the independence and sovereignty of every specific people. Its revisionist authors do not only fail to take national security into consideration, but describe it as anachronistic and dangerous for the destiny of the world. In its place they offer the security of the two largest nuclear states, the United States and the USSR. "The security of the USSR and the United States," Gorbachev says, "intertwine in a single strand. It is this strand that preserves life on earth. Many aspects of world developments depend upon the solutions we work out." This is a thesis that clearly expresses the pretence that it is only the security of the two superpowers that should be considered in the modern world, while the security of other countries should not be mentioned, because it threatens "general security." The very identification of general security with American and Soviet security is an indicator of the nature of the "general security" which is being offered as an option to the modern world.

Soviet theoreticians express the view that other states and peoples will obtain their security through the agreements and treaties of the United States and the USSR in various military, political, and economic fields. The principle of "equality in security" which the general security theory promises is the principle of equally subjecting all states to the decisions the two superpowers make or may at some time make. In fact "equality in security" is confined merely to an equality of potential and an equilibrium of forces, and in particular to an

equality in the expansion of the two superpowers' zones of influence throughout the world. In the name of "general security", understood as a bipolar form of U.S.-USSR security, the political experts of the two superpowers also demand support from various peoples and states for American-Soviet discussions and treaties. Every problem that emerges and develops within the context of American-Soviet relations, from problems of military supremacy to those of political supremacy, is presented as if for the sake of the "general security" of the peoples. Such an expansion has not merely a geographical, but primarily a political character. The Soviet revisionists aim at subjecting all the countries of the world to the political theory of "general security" and to the objectives that Moscow has defined for this policy. "True security," the academician Gromyko declares, "can only be general in character." International relations at the close of our century and the beginning of the next are also defined on the basis of this theory, from which no state is allowed to stand aside. Such a thorough falsification has another purpose. It aims to prepare the conditions to force all states and peoples to accept this imperialist political theory. On the basis of Soviet political logic, if a state were to refuse to accept the theory of "general security," and were to attend only to its national security, this state would upset international stability and would have to be subjugated by familiar methods of international coercion.

On this basis, matters go so far as to justify the interference of great powers into such vital issues for national sovereignty as defense. The "reasonable limits" set by the Soviets mean the right of the superpowers to lay down for other peoples and states whether, to what extent, and with what equipment they may arm themselves.

Understandably, the political theory of "general security" expresses the aggressive and hegemonist ambitions and strategy of the Soviet social-imperialists. Such imperialist theories aim at justifying the expansion of the USSR as a superpower, and exhibit ever more clearly how reactionary theory merges with contemporary imperialist policy.

AWP Delegation Departs For Canadian Congress

AU301537 Tirana Domestic Service in Albanian 1430 GMT 30 Dec 87

[Text] A delegation of the AWP Central Committee led by Marash Hajati, AWP Central Committee member and director of the General Directorate of Albanian Radio-Television, has left for Canada to participate in activities at the conclusion of the Fifth Congress of the Marxist-Leninist Communist Party of Canada.

The delegation was seen off at Rinas Airport by Agim Popa, director of the Foreign Directorate of the AWP Central Committee, and other comrades.

1988 Trade Exchange Protocol Signed With USSR

AU301951 Sofia BTA in English
1910 GMT 30 Dec 87

["Bulgaria-USSR: Dynamic Countertrade"—BTA headline]

[Text] Moscow, December 30 (BTA corr.)—In 1987 countertrade between Bulgaria and the USSR is expected to amount to more than 13 milliard rubles. The protocol, which was signed here today creates conditions for perfecting and adding to the economic contacts between the two countries.

Bulgaria, which is one of the leading trade partners of the USSR, will deliver computing machinery, hoisting and hauling machines and machine tools, ships and ship equipment, farm machines, products of the food industry and the light industry. It will import from the Soviet Union petrol and oil products, coal, natural gas, ferrous and nonferrous metals, timber, cotton, chemical products, lathes, tractors, road-building and farm machines, cars and lorries.

The protocol envisages reciprocal deliveries of goods on the basis of direct production contacts between organizations of the two countries.

Mr Boris Aristov, minister of foreign trade of the Soviet Union, who signed the protocol for the Soviet side, expressed satisfaction over the countertrade between the two countries in the outgoing year. He also expressed his conviction that in 1988 there will be sought new ways for promoting bilateral trade and that it will include new products in line with the growing needs of the partners.

Mr Andrey Lukanov, minister of foreign economic relations of Bulgaria, stressed that in the outgoing year the two countries maintained active contacts both in the field of the economy and in the other spheres of life. He stressed that in future too cooperation with the USSR will continue to be a vitally important factor for Bulgaria's progress.

OTECHESTVEN FRONT Urges GATT Membership

AU301450 Sofia OTECHESTVEN FRONT in Bulgarian 29 Dec 87 p 1

[Andrey Nedyalkov article: "Competition With Equal Opportunities"]

[Excerpts] In Geneva recently a brief session was held at the administerial level to mark the 40th anniversary of the formation of GATT (the General Agreement on Tariffs and Trade). This was followed by the 43d regular session of the organization. Representatives from our country also took part in these meetings. [passage omitted]

At present the organization has 95 members. Of the socialist states, Cuba, the CSSR, Poland, Yugoslavia, Romania and Hungary are GATT members. Bulgaria and China hold the status of observers, and our country has submitted an application to join the organization.

In actual fact, Bulgaria has a 20-year history of links with GATT, from as far back as 1967, when it became an observer. In the second half of the seventies we took part in the "Tokyo round" of multilateral trade negotiations, which were also open to countries not members of GATT. As a result of these meetings, Bulgaria substantially cut the duty on industrial goods, following the so-called "Swiss formula", and became a signatory of two sector agreements. There are a number of considerations in favor of us joining GATT: the increased competitiveness of our goods-producing enterprises, and the raising of the technological and quality level of their production to meet the requirements of international markets. A further factor is self-management, which compels us more and more to secure foreign markets for Bulgarian products.

GATT, in its function as a multilateral trade agreement defining the bases for the trading system now in operation, can contribute toward consolidating the legal basis for our trade with the nonsocialist countries and can promote long-term stability and security in relations. Our participation in this agreement, coupled with bilateral trade pacts and agreements for protecting investments and avoiding double taxation, might strengthen the guarantees for our Western partners who participate in joint long-term projects, including the formation of joint enterprises. [passage omitted]

Bulgaria, as a country with an open trade policy whose trade and economic ties reach the furthest corners of the earth, needs to become a full member of GATT. In order for us to successfully gauge growth in the world market, our goods producers need to be released from various forms of restrictions in trade relations. There is no doubt that precisely under these conditions the considerable capacities that our economy has available will be fully revealed.

'Slanders' on Muslims' Treatment Refuted

AU311208 Sofia BTA in English
1045 GMT 31 Dec 87

["Refuting the Slanders"—BTA headline]

[Text] Sofia, December 31 (BTA)—"Bubbles Painted in Black"— under this heading today's KOOPERATIVNO SELO publishes an article by its special correspondent Yordan Stefanov from the northeast part of Bulgaria—the regions of Shumen and Turgovishte. In the article the author describes his meetings with Bulgarians who had allegedly been killed, according to the Turkish mass media, at the time of the restoration of their Bulgarian names.

The journalist asks why such ugly, utterly groundless lies appear, fabricated by the Turkish propaganda, why have exactly these people been chosen, why has the journalistic ethic been left under the boot of political and chauvinist speculations. Mr Yordan Stefanov posed these same questions to the three Isaev brothers, who have been reported dead by the Turkish mass media. Here is the answer of Ivan Isaev: "The entire campaign of false rumours has failed. The Turkish mass information media (or rather mass disinformation) obviously had underestimated a lot the level of development of the Bulgarian people while fabricating those falsifications. The Bulgarian people consists of personalities who think, they are not some dull and unenlightened mass, amenable to cheap manipulations."

The author has interviewed Mr Atanas Kolev of the Turgovishte BCP Municipal Committee: "Our people easily understood that these fabrications are completely groundless. But they have mostly been designed to create a certain public opinion in Turkey. There the people will not check the truth and probably take the absurd inventions as reality. The desire of the Turkish propaganda for a melodramatic pomp at any price, as well as for pseudo-authenticity is not only unethical, but also rather dangerous."

Self-Supply Commission Discusses Weaknesses

AU301259 Sofia ZEMEDELSKO ZNAME in Bulgarian 29 Dec 87 p 2

["Own information" report: "Unutilized Reserves"]

[Text] In comparison with the same period in 1986 (until 1 December of this year), our population has received an additional 25 million liters of milk; 38 million eggs; 21,000 ton vegetables, and so forth. Regardless of this, however, many agrarian products have not been delivered to the markets. There have been serious weaknesses in implementing the 26th decree of the Council of Ministers and the National Council of the Fatherland Front. The tendency of decreasing the number of livestock both in the public and private sectors, continues. The task of planting the necessary plots with autumn-winter vegetables has not been implemented despite the additional stimuli, which have been provided, and the favorable weather conditions.

This and other topical issues were discussed at the 28 December meeting of the Central Commission on the Population's Self-Supply, which also dealt with measures related to overcoming the weaknesses and implementing the task posed by the 25 December national conference of the party, state, and economic aktiv. The meeting was opened and chaired by Aleksi Ivanov, minister of agriculture and forestry. He spoke about the necessity of decisively restructuring the work related to organizing private farming and utilizing it as an exceptionally important reserve for supplying the markets in the oblast, municipalities, and townships, and stressed the great responsibility of the Central Commission on the Population's Self-Supply for successfully solving this state task.

Defense Officials, Cultural Figures Meet

AU301314 Sofia NARODNA ARMIYA in Bulgarian 29 Dec 87 pp 1, 3

[Report by Major Rumen Atanasov: "Contribution to the Soldiers' Intellectual Growth"]

[Excerpts] On 28 December the leadership of the Ministry of National Defense, the Main Political Administration of the Bulgarian People's Army, and the Womens Council of the Sofia Garrison held its traditional New Year meeting with artistic and cultural figures in the Central Club of the Bulgarian People's Army. [passage omitted]

The meeting was opened and chaired by Colonel General Mitko Mitkov, chief of the Main Political Administration of the Bulgarian People's Army. [passage omitted] Lieutenant Gen Ivan Stefanov, deputy chief of the Main Political Administration of the People's Army [title as published], read out an order of the minister of national defense on awards to outstanding creative figures. [passage omitted] The awards were presented by Army General Dobri Dzhurov, member of the BCP Central Committee Politburo and minister of national defense. [passage omitted]

The meeting was attended by Col Gen Atanas Semerdzhiev, first deputy minister of national defense and chief of the General Staff of the Bulgarian People's Army; Col Gen Khristo Dobrev, first deputy minister of national defense; Lt Gen Trifon Balkanski, first deputy chief of the Social and National Security Department of the BCP Central Committee; and deputy ministers, generals, and officers.

Also present was Col Gen Aleksandr Zvartsev, representative of the commander in chief of the Warsaw Pact Joint Armed Forces with the Bulgarian People's Army. [passage omitted]

Zhivkov Speaks at Meeting With Sportsmen

AU301457 Sofia RABOTNICHESKO DELO in Bulgarian 29 Dec 87 pp 1, 6

[Excerpts] [Passage omitted] A meeting took place yesterday in the Boyana Residence between the Secretariat of the BCP Central Committee Secretariat and and the most outstanding Bulgarian sportsmen, coaches, and sports leaders of 1987. [passage omitted]

Georgi Dzhagarov, deputy chairman of the State Council, read a decree on awards to the sportsmen who had achieved high successes.

Comrade Todor Zhivkov presented the high state distinctions and heartily congratulated the sportsmen and their coaches and leaders. He said in his speech:

Dear Comrades: It gives me particular joy to carry out the instruction of the Secretariat of the BCP Central Committee and to cordially congratulate you, the most outstanding sportsmen and sportswomen of socialist Bulgaria, holders of championship titles and medals, and of new world and European records won in 1987.

We have on many occasions held meetings with prominent sportsmen and sports officials of our country. It therefore gives us pleasure to join those who regard these meetings as a fine tradition. This is a tradition to worthily recognize your labor and the successes you are gaining in competition with the strongest sportsmen in the world.

However, I think you will agree with me that this meeting is a special one, not only because of the fact that it takes place in the year in which, under the party's leadership, we have made a start on profound, radical changes in our entire social life, but because in this very year a peak was achieved in the international demonstration of Bulgarian sports, thanks to your labor, the work of your coaches and specialists, your mastery, and your high qualities of morale and willpower.

I am glad to be able to congratulate the sportsmen of socialist Bulgaria, who have won 26 gold, 9 silver, and 24 bronze medals in the world championships; you have added to these 80 medals from the European championships, including 36 golds. Your work was responsible for establishing 21 world records and 1 European record and for winning 3 world and 3 European cups.

Today the world talks with delight of Stefka Kostadinova, winner of two world championship titles, who has improved two world records and holds two athletic "Oscars"; of the rhythmical gymnast Bianka Panova, winner of five gold medals, with maximum points in all her performances; of Mikhail Petrov, European and world champion and record holder, winner of the world cup for weight lifting; of Vesela Lecheva, the world and European shooting champion and record holder; of Valentin Yordanov, world and European wrestling champion; and of a number of other young Bulgarian men and women.

The entire Bulgarian public takes sincere joy and justified pride in your sporting successes.

They are an inalienable part of the values that our society creates and multiplies with labor, inspiration, and a sense of purpose.

Comrades, with every passing day our life is filled with fresh content. We are engaged in implementing in practice the postulates of the July and November Plenums of the BCP Central Committee for a complete restructuring and qualitative renewal of socialist society in Bulgaria. It is hardly necessary to prove to you that such restructuring is also needed in physical education, in sport, and in all activities on which the health, physical education, and physical improvement of the Bulgarian nation depends.

We must fill the social and educational functions of physical culture and sports with fresh content and establish them as a characteristic feature of the socialist way of life. The practice of organized physical exercises and sports on a mass scale in the primary educational, labor, and territorial collectives, in the self-managing organizations and municipalities, where our people study, work, and live—this is the main task at present in our work. This is also the guarantee for new, even greater successes in our native sport.

As I have stressed on other occasions, the successes achieved inspire us, because they give us grounds for setting ourselves new, even more lofty goals.

We share your striving next year to crown your work with the distinctions of which every sportsman dreams—Olympic titles and medals!

Young friends, you face fresh, difficult trials. I am sure you will reveal your great qualities and capabilities in the competition with your strong and worthy rivals.

With all my heart I wish you success, to the glory of our dear homeland—the People's Republic of Bulgaria.

To all of you, to your parents and friends, I wish good health and much sporting happiness in the new year of 1988. [passage omitted]

Athletes Prepare for Olympic Participation

AU291300 Sofia TRUD in Bulgarian 28 Dec 87 p 4

[Under the heading "The Best Coaches Impart Their Thoughts," article by Ivan Abadzhiev: "We Will Fulfill What Is Expected"]

[Excerpt] [Passage omitted] I would like to say a few words about our problems. Even we, with so many weightlifting victories in recent years, have difficulties that we must overcome. Only 9-10 months before the Olympic Games, it has become clear that I will not be able to make use of our strongest athletes—Asen Zlatev, Antonio Krastev, Sevdalin Marinov.... And in the brief period remaining my colleagues and I, as senior coach, must find a way out of the impasse.

We have a very ambitious plan for the Olympics—8-10 medals from 10 participants, and most of these medals are to be golds.... This is a plan that we are undertaking as one established by the Bulgarian people. Under the unfavorable circumstances that have arisen, we have to solve the problems. We might have been able to plead for

indulgence and ask for our plan to be reduced, but this is humiliating for us. Even if someone were to take pity on us without us asking and the level of expectation lowered, this would sound like an insult to us. We have our accumulated experience, and have learned how to overcome difficulties. The first reorganization in Bulgarian weightlifting took place in 1969, when we made a radical change in the development of heavy athletics. Since that time we have carried out many reorganizations, but now, in the period of universal restructuring in Bulgaria, we have to achieve a substantial leap forward, based on radical restructuring. And we are already in the process of carrying out such restructuring. [passage omitted]

General Interviewed on Stockholm Document
AU301657 Bratislava PRAVDA in Slovak 29 Dec 87 p 2

[Interview with Lieutenant General Jiri Brychta, first deputy chief of the General Staff of the Czechoslovak People's Army, by an unidentified CTK correspondent: "Building Up Trust and Enhancing Security;" in Prague, date not given]

[Text] Prague—The final document of the Stockholm Conference on Confidence-Building Measures, Security, and Disarmament in Europe, which was signed also by the CSSR, came into effect on 1 January 1987. In connection with the first anniversary of its validity, Lieutenant General Jiri Brychta, first deputy chief of the General Staff of the Czechoslovak People's Army [CSLA], granted an interview in Prague to a CTK correspondent:

[CTK] Comrade General, what is Czechoslovakia's experience with the implementation of conclusions arising from the final document?

[Brychta] I would like to draw attention to the fact that the Stockholm Conference was concluded with the adoption of the final document, which represents a political commitment for all participants in the Conference, as early as September 1986. The agreement obliges all signatory states, inter alia, to announce military ground exercises involving more than 13,000 soldiers and invite observers from other countries for exercises of ground troops involving more than 17,000 men. The year 1987 was the first year of the practical implementation of the Stockholm document.

The relevant departments in the CSSR took up the implementation of the adopted commitments in mutual cooperation, on the basis of a resolution of the CPCZ Central Committee Presidium and the CSSR Government. Special interdepartmental commissions of plenipotentiaries were established, made up of representatives of the ministries of foreign affairs, national defense, and interior. The Federal Ministry of National Defense is involved, in particular, in the preparation and implementation of measures of a military-technical nature, such as issuing notifications of military activities, dispatching and receiving observers, and providing for inspections. It coordinates these measures with its allies in the Warsaw Pact member states, notably with the General Staff of the USSR Armed Forces.

The other participating states in the CSCE had been notified through diplomatic channels of the plan of the CSLA's military activities for 1987 subject to the notification duty, which comprised three military exercises, two of which involved the participation of observers.

The first of them—a 2-party [dvojstranne] tactical exercise of the CSLA—was held on 2-6 February and was the first military exercise held in Europe after the Stockholm Conference with the participation of observers. It was attended by 41 observers from 22 states. Their conduct was mostly irreproachable and even while the exercise lasted many of them voiced positive assessment of the good organization and of the CSLA command's approach to compliance with the document. Representatives of the Warsaw Pact member states also voiced appreciation for the provisions for observation and they later applied the lessons they learned in their own countries. The experiences obtained were also used in preparing the 2-party exercises of units of the Central Group of Soviet Forces in the CSSR and of CSLA units on 15-21 July. These exercises were attended by 34 observers from 18 states. The observers had an opportunity to talk to the troops taking part in the exercises and to ask questions, the replies to which were carefully recorded. They showed an interest in the operations performed and in military technology. They spoke respectfully of the high moral-political standards of our and Soviet troops, of their professional preparedness, and the excellent condition of the combat technology.

Both these exercises on the CSSR territory were held in the spirit of building up trust and enhancing security. The Czechoslovak side implemented all measures [arising from the Stockholm document] concerning the reception of observers, provision of information, and accommodation and board. It provided the observers with the necessary documentation and, proceeding strictly in accordance with the text of the document, enabled them to observe all operations in great detail. It can be stated that all observers appreciated the care given to them and the high standard of the Czechoslovak side's general provisions for their stay. Particularly favorable was the foreign response to the CSLA's winter exercise.

The signatories of the final document have already been notified of the plan of the CSLA's military activities for 1988, which envisages the invitation of observers to two exercises on the CSSR territory next year.

[CTK] How do the NATO states approach the implementation of the document?

[Brychta] In our opinion the majority of NATO states also take the implementation of the Stockholm document seriously. Czechoslovak observers attended eight military exercises in the states of Western Europe in 1987. On the basis of their experience obtained there it can be stated that they were well received and that, as a rule, appropriate care was given to them. The organizers provided the necessary information concerning the exercises, various supplementary materials on the troops' organization, and information on the operations performed by units involved in the exercises. With some exceptions, good conditions were established for the observers' contact with commanders and soldiers involved in the exercises. Our observers had the opportunity to talk to them and to ask questions related to the exercises. In most cases they received satisfactory replies.

At some exercises, two different programs of observation were prepared and implemented, in contravention of the document—a general program, and an abbreviated one. The organizers mostly paid full attention just to the abbreviated program. Certain reservations from the Czechoslovak side concerned the limited possibility to watch the activity of French troops taking part in the "Cheeky Sparrow" exercises on FRG territory.

[CTK] One of the aims of observation is to check whether exercises on the territory of one state do not pose a threat to the security of another state. What are the findings obtained by Czechoslovak observers at NATO maneuvers on FRG territory in this regard?

[Brychta] On the whole it can be said that, taken individually, the exercises of NATO states had a character of routine military activity and did not pose any threat in the sense of the provisions of the Stockholm document. However, the fact that in the relatively short period of only one month—September 1987—forces totaling 240,000 men and more than 2,000 tanks were concentrated on the territory of the FRG representing a real threat to the countries of the Warsaw Pact. It was a demonstration of the strategy of deterrence in practice.

In contrast to this, the Warsaw Pact spread its exercises both in terms of time and territory to such width that they could in no way acquire the character of a threat.

[CTK] How did the Vienna follow-up meeting of CSCE signatories, in which you took part, assess the implementation of the final document?

[Brychta] All participating states positively assessed the results of the Stockholm Conference and most delegations expressed satisfaction with the implementation of the adopted document thus far. They expressed the view that the document is significant politically as well as militarily, that it lives up to the expectations pinned on it, and that even now it significantly contributes to building up trust and enhancing security in Europe. However, at the same time several delegates pointed out that Europe is only at the start of this process.

Certain shortcomings that have found their expression in the imprecise implementation of some provisions may have been the result of inexperience and subjective interpretation. The overall assessment of the reinforcement of trust and security will depend on the actual level of the long-term implementation of the adopted commitments by all states.

I took the opportunity of my appearance before the Vienna follow-up meeting to show by means of facts how responsibly the CSSR Government and our Army Command approach the implementation of this task and what results have already been reached in this process. At the same time I assured the delegates of our resolve to strictly implement the document also in the years to come.

Further on Federal Assembly Session

AU181423 Prague RUDE PRAVO in Czech 16 Dec 87 pp 1,2

["STK"—signed report: "Balanced Budget of the Czechoslovak Federation; Seventh Joint Session of the Two Chambers of the CSSR Federal Assembly in Prague"—boldface passages as published]

[Excerpts] **Prague (From our reporter)—The state budget of the CSSR Federation for the year 1988 was the main item on the agenda of the Seventh Joint Session of the two Chambers of the CSSR Federal Assembly [held in Prague on 15 December]. The deputies agreed that the elaboration of this budget was a most complicated and responsible task: for, although the volume targets are being fulfilled and at times even overfulfilled, many places are not adhering to the planned qualitative indexes, nor are they implementing the intensification principle to the planned extent (this primarily applies to the relative reduction of costs). The creation of profits is also lagging behind.** [passage omitted]

Alois Indra, CSSR Federal Assembly chairman, underscored in his opening statement the significance of top USSR and U.S. representatives, Mikhail Gorbachev and Ronald Reagan, signing the treaty on the elimination of medium-range and shorter-range missiles. This is the very first agreement that is meant to ensure the destruction of two whole classes of nuclear weapons, he stated. It can quite justifiably be called a victory of common sense, statesmanlike responsibility, and understanding of mankind's vital needs in a nuclear and space age. We would like to believe that the U.S. Congress will show the same approach in discussing the ratification of this treaty. On Wednesday, 9 December, the CPCZ Central Committee Presidium and the CSSR Government adopted a joint statement of attitude on this historic event, Alois Indra recalled, and declared that the deputies of the Federal Assembly fully agree with this standpoint, endorse it, and will energetically support it in their parliamentary activity, in their constituencies, and in their international contacts.

The law on the state budget assessed by the deputies sets down the following amounts:

Total revenues of the Czechoslovak Federation	Kcs215,094,000,000
Total expenditure of the Czechoslovak Federation	Kcs215,094,000,000

Within these expenditures, the subsidies to the budgets of the two republics are as follows: Special-purpose subsidies:

for the Czech SR	Kcs40,619,870,000
for the Slovak SR	Kcs27,485,350,000
General subsidies	
for the Czech SR	Kcs 41,722,430,000
for the Slovak SR	Kcs 30,376,350,000

The draft law on the state budget was presented by Jaromir Zak, federal minister of finances. [passage omitted]

The joint committee reporters were Alois Hula for the Chamber of the People, and Jozef Csemi for the Chamber of Nations. Alois Hula said that the balance of budgeted revenues and expenditures is based on the mobilizing tasks aimed at creating financial resources (this particularly applies to turnover profit and taxes) and also on certain financial cuts (for instance, a reduced investment volume), as compared with the 5-year plan. The deputies in the committees stated that, although the individual ministerial branches are not accomplishing the planned tasks, the ministries have not adopted effective rectifying measures and have also made little use of the recommendations made by the committees. [passage omitted]

In discussing the chapter on the State Commission for Scientific-Technical and Investment Development (SKVTIR), the committees expressed dissatisfaction with the unfavorable development of the accomplishment of research and development tasks. Other central agencies have also not devoted the necessary attention to our scientific-technical policy. The result of all this is that the overall production volume based on the implementation of science and research amounts to approximately Kcs1 billion less than set by the 5-year plan. [passage omitted]

The committees said that the increasing insolvency [platebni neschopnost] of enterprises is a serious obstacle in smoothly financing our economic operations. Although this is basically due to the failure to fulfill the planned qualitative indexes, the subjective approaches to the formulation of these tasks often prevail already in the central agencies and in economic production units. [passage omitted]

The deputies in the committees assessed the stand adopted by the Ministry of Fuel and Power on ensuring fuels for the winter season as far too optimistic and not corresponding to the actual situation in their constituencies. [passage omitted]

Deputy Frantisek Stafa dealt with the problems in Prague. He stated that the shortcomings that had accumulated during the last 50 years in apartment maintenance are so numerous that one would need Kcs24 billion to eliminate them. A partial solution seems to be the revived function of caretaker-maintenance man, because the housing enterprise is incapable of ensuring the services connected with housing on their own. [passage omitted]

Deputy Jan Rabel dealt with the agricultural-food complex. He stated that the increased demands on this sector make it essential to increase the utilization of most fertile areas and the use of the most modern technology. But we still have a number of problems here. For instance, the 20-year hiatus in the production of Czechoslovak sowing machinery means that we are finding it difficult to achieve the necessary parameters, so that instead of finishing the sowing of sugar beet in 3-7 days, it is taking us up to 3 weeks. He also pointed out the poor quality of machines for crushing and mixing fertilizers and the shortage of application technology.

Deputy Ladislav Mraz dealt in his address with rail transport, stating that its standards are unstable and variable. He critically mentioned the frequent bans on loading, the irregular shunting of cars, and their often unsuitable types. [passage omitted] He also spoke of a lack of certain mechanisms: for instance, there is a shortage of electric and diesel locomotives, and of certain special kinds of cars, machinery, and equipment for track maintenance.

Vlasta Malikova pointed out the need to adhere to socialist legality. Almost 48,000 felonies and lesser economic crimes were uncovered in 1986, and the damage amounted to Kcs333 million. But already in the first half-year 1987 the figure is Kcs177 million. Considerable losses are caused to society by so-called extraordinary events, above all fires and accidents—last year we registered 1,000 of them, and the losses amounted to Kcs659 million. A number of these felonies and extraordinary events were partly due to inadequate enterprise control, disorderly record-keeping, inadequate protection of premises, and bad cadre work.

Deputy Miroslav Spaniel said that our enterprises should be far more interested in training executive staff and improving the care which they devote to this sphere. Year after year we are spending about Kcs5 billion of the social resources of our enterprises on training young experts, and Kcs1 billion on the further education of adults. But the young people's interest in typical worker professions is steadily dropping—we lack foundry workers, metal rollers, tool-makers. [passage omitted]

Last year more than 330,000 people were absent from work every day because of sickness or accidents. The sectors most affected were mining and the power industry, the food and textile industries, and the clothing and leather-processing industries. In mining this is due to the high demands that are placed on the human organism, while the working conditions in coal extraction are becoming harder and harder and the risk of contracting an occupational disease increases. The deputy said that the population's general state of health is not good—not only because it is adversely affected by the environment and an incorrect way of life, but also because of shortcomings in preventive medical care. [passage omitted]

Jaromir Zak, CSSR minister of finances, told Deputy Jaroslava Stranska that 22 organizations are working this year under the conditions of the comprehensive [economic] experiment; it is still premature to start evaluating the results achieved by them. However, the results will be reflected in the annual comprehensive analysis of

their economy and the deputies will be briefed on this at the next plenum in spring 1988; moreover, 19 other production organizations will join the experiment on 1 January 1988. [passage omitted]

Economist Urges Waiver of Price Reform

AU291900 Prague RUDE PRAVO in Czech 17 Dec 87 p 3

[Article by Karel Podlaha, Ceske Budejovice, in the "Prior to the CPCZ Central Committee Session" column: "Contractual Price as the Basis;" Boldface passages as published]

[Excerpts] **The growth of national income earmarked for internal consumption has substantially slowed down since the beginning of the eighties. [passage omitted] Apart from the inefficient structure of production and exports, this slowdown has mainly been caused by the system of management, which was formed in the period of the extensive type of economic development and which lingers on, even though at its congresses the CPCZ is mapping out the strategy of a radical turn toward the intensive type of economic development.**

It is essential to find out which element of the system of economic management, which value instrument, is the main cause of its inefficiency. It is the price system and, within this system, it is **the wholesale price, its type, and its ratios.** Why is this so?

Consumer at a Disadvantage [subhead]

The current method of fixing wholesale prices is set out in a decree that was issued by the price offices in 1985. Under this decree it is the production enterprise that draws up the price proposal and submits it to the price authorities. The production enterprise does not have to agree on this proposal with consumers, its duty is only to discuss it with its main customers. **Consumers have no chance to assert their interests.** The decree establishes several binding methods of devising the price proposal. Most of these binding methods are derived from costs and establish a measure of profit. [passage omitted]

What interest does the cost-derived price [nakladova cena], the method of its formation and its application, elicit on the part of the production enterprise? Its behavior is guided by the approved price, into whose proposal it was able to project overstated costs while the utility value of its products may be inadequate. **The price provides the production enterprise neither with an incentive to meet consumers' needs, nor does it economically compel it to meet them.**

The cost-derived price works against Marx's theory of value. [passage omitted] By underestimating the factor of utility value and overestimating the factor of labor input (costs), it grossly deforms the price ratios. [passage omitted] It makes it advantageous to make products with high material input and disadvantageous to make products with a high proportion of science in their value. [passage omitted] It is the cause of the economy's inefficient structure and of its internal as well as external imbalance. It upsets the effectiveness of the other value instruments of the system [of management]. **It does not permit equivalent exchange and operates thus in contravention of the basic law of socialism.**

As the Comprehensive Restructuring of Wholesale and Procurement Prices that will go into force on 1 January 1989 does not affect the essence of the cost-derived price, it cannot change the way in which it exerts its influence. It perpetuates the dominant position of production enterprises with their partial interests and the subordinate position of the consuming enterprises and does not make it possible to properly assert the interests of man, the interests of the socialist society. It retains the theoretically devised price, the formation of which has no impact on the behavior of the production enterprise. The conclusion that derives from this thus is: To go ahead with the adjustment of the wholesale prices for imported raw materials and fuels and for the basic materials that are based on them, with central agencies proceeding from import prices in setting uniform wholesale prices, but **to abandon—despite the advanced state of preparations for the new prices—the restructuring of the wholesale prices for products of the manufacturing branches,** which will operate on the basis of full-fledged economic accountability and self-financing of enterprises.

Effective Pressure on Producers [subhead]

Teams of economic researchers as well as leading individual economists and economic executives have studied the practical impact of the cost-derived price. They have reached the conclusions that are stated above. Their constructive criticism has produced a proposal for a radical restructuring of the price system, in which the following types of wholesale prices would be applied:

1. **Uniform wholesale prices,** determined by central state agencies, for strategic commodities. [passage omitted]

2. **Contractual wholesale prices,** fixed by an agreement between production enterprises and their customers (production or retailing enterprises). [passage omitted]

3. **Price limits,** especially as a barrier against speculative increases of wholesale prices. [passage omitted]

The contractual price has a great advantage in its flexibility. It immediately responds to various changes in the conditions of each purchasing act, which are particularly frequent in the era of the scientific-technical revolution. All current purchases result in economically warranted **price ratios that are close to the actual value,** ratios that **express and encourage development toward higher utility**

value of products and toward lower costs. [passage omitted] There is no need for price adjustments in fits and starts that are made necessary by the cost-derived price, which perennially trails behind social needs.

The contractual price permits equivalent exchange. This is essential for objective assessment of the plan, its equilibrium and balance, for putting the program of the economy's restructuring on an objective footing, and for putting the concept of participation in the socialist economic and scientific-technical integration on an objective footing. It will permit reliable calculation, the enterprises' successful economic performance and higher profits, the growth of working people's incomes, and a more rapid growth of national income. [passage omitted]

The gradual replacement of the cost-derived price by the contractual price in the cost-accounting sphere is inevitable, although it requires the overcoming of serious obstacles. **Above all, it is necessary to give the consumer the choice of suppliers, especially domestic suppliers.** It is up to the central state agencies to draw up and implement a set of measures to meet this target by filling in the most serious gaps in the product range, by setting up medium-sized and small state, cooperative, as well as communal enterprises to complement large enterprises and compete with them in their flexibility, and by changing the organizational setup of enterprises where their monopoly position does more harm than good.

Furthermore, it is necessary to **give the consumer the choice between a domestic and a foreign supplier.** For this to happen it is necessary to concentrate funds on the priority development of productions that are capable of competing on foreign markets and thereby increase the possibilities for imports of capital and consumer goods, the shortage of which we feel most. [passage omitted]

There is a realistic chance of a phased introduction of the contractual price. **First it is necessary to start applying the contractual price on an experimental basis in conjunction with full-fledged economic accountability and the self-financing of enterprises. This must be done without delay, in those types of production, in which the basic prerequisites are met.** These are, in particular, the satisfaction of needs in terms of volume—though not yet in terms of variety and quality—and a certain possibility of choice of supplier. [passage omitted]

Two Conflicting Views [subhead]

In the process of drawing up the restructuring of the system of economic management, two conflicting positions have gradually taken shape. The first is the **position of the economic front;** a large number of economic theorists demand that the consumer assert his interests in the process of price setting and that the price reflects the products' utility value. **Most teams involved in basic economic research and leading representatives of applied economic research reject the cost-derived wholesale price and demand the expansion of the contractual wholesale price in the cost-accounting sphere.** [passage omitted] This standpoint is based on the study of the enterprises' practical economic behavior elicited by the [cost-derived] price. A second standpoint has taken shape in the process of drawing up the draft document on restructuring the system of economic management and is prevalent among **production enterprises and sectors and a large number of officials of the central state agencies, who demand under the cloak of the comprehensive restructuring of the price system that the cost-derived price be conserved for a few years to come.** This standpoint is not based on the study of the practical economic behavior of enterprises in response to the cost-derived price, but on a conviction concerning the effectiveness of theoretically construed prices and of state agencies' orders to economically accountable enterprises. This is the opposite of dialectical thinking. This standpoint conforms with partial interests but it conflicts with the interests of the socialist society.

The evolution of dialectical thinking in the Soviet Union and also in our country is advancing at a rapid pace. **This requires amending some of the principles of rebuilding [prebudovani] the economic management as well as changing some additional decisions that have already been made. The decision on making a transition to a system of economic management in which the impact of the price would conform with social interests must not be needlessly delayed**—not by a month, and still less by several years. The situation in the economy would continue to deteriorate and the transition would eventually run up against even greater obstacles.

Our Soviet friends are making full use of the Leninist dialectical way of thinking in the process of the radical restructuring of the system of economic management. In their own "comprehensive document" they enshrine, inter alia, the following principle concerning the restructuring of prices: "To substantially enhance the role of the consumer in determining prices, to expand the practice of fixing price limits and contractual prices..., to substantially reduce the share of centrally fixed prices." A broad-based experiment in applying contractual prices in industry is underway in Leningrad Oblast.

Felfe Presents SED Politburo Report to CC

AU280601 East Berlin NEUES DEUTSCHLAND in German 17 Dec 87 pp 3-9

["From the Politburo Report to the Fifth SED Central Committee Session; Rapporteur: Werner Felfe, member of the Politburo and secretary of the SED Central Committee"]

[Text] Dear Comrades: During the time since the fourth Central Committee Session our entire party and our entire people have done great work to further implement the decisions of the 11th SED Congress, to strengthen socialism, and to safeguard peace.

This time was characterized by outstanding international events. Together with the fraternal Soviet people and their Communist Party we celebrated the 70th anniversary of the Great October Socialist Revolution.

The results of the summit meeting between Mikhail Gorbachev and Ronald Reagan, on which Comrade Gorbachev extensively briefed the leading representatives of the Warsaw Pact states in Berlin on 11 December, were received with pleasure and satisfaction all over the world. The agreements reached in Washington have given wings to all those who have been struggling for a long time to free mankind from the threat of nuclear war.

With the successful official visit of Comrade Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, the GDR has made an effective new contribution to reducing tensions, to nuclear disarmament, and to bringing about peaceful coexistence.

I. Our Foreign Policy of Peace and Social Progress [chapterhead]

Dear Comrades, on 8 December Mikhail Gorbachev and Ronald Reagan signed the treaty on the total elimination of Soviet and U.S. intermediate- and shorter-range missiles. This is a historic event. For the first time agreement was reached on the elimination of a whole category of nuclear weapons. That cannot be valued highly enough. This treaty marks the entry to nuclear disarmament, the first step on the path to the creation of a world free from nuclear weapons. It makes the world more secure. Everyone has won, no one has lost.

The path to more stability and security does not lead via more weapons but via reasonable political solutions. The treaty on the elimination of USSR and U.S. intermediate-range missiles is proof of this. It is a victory of the kind which the world needs today—a victory of reason, realism, and good will.

The path to this agreement was primarily brought about by the courageous, creative, and dynamic foreign policy of the Soviet party and state leadership and by the work of Comrade Mikhail Sergeyevich Gorbachev.

In their joint statement of 14 December, the SED Central Committee Politburo, the State Council, and the Council of Ministers of the GDR reaffirmed the great regard and absolute support of the GDR for the agreement on the elimination of intermediate-range missiles belonging to the USSR and the United States.

We note that the joint peace program, which was outlined more precisely and developed further at the meeting of the Political Consultative Committee of the Warsaw Pact states in Berlin this May, is beginning to bear fruit. Thanks to the joint line which was worked out, to the coordination, and the continuous political cooperation, the Soviet comrades felt sure of the support of all states in our alliance. It is internationally recognized that the constructive position of our country promoted the conclusion of the agreement on intermediate-range missiles.

Preventing the danger of a nuclear inferno for mankind, the preservation of peace on earth and in space, and nuclear and conventional disarmament are the supreme concerns of all our policies. Since at the seventh session of our Central Committee in November 1983, immediately after the start of the deployment of Pershing II and Cruise missiles in Western Europe, Comrade Erich Honecker said that it was necessary to continue all the more intensely the struggle for these aims, our general secretary and we all have directed our efforts to achieving the disappearance of intermediate-range missiles, those devilish things. The GDR will continue to do everything to contribute to the implementation of the treaty on the elimination of the intermediate-range missiles. The trilateral agreement between the USSR, the GDR, and the CSSR, which was signed in Berlin, is a first practical step in this direction.

The FRG and numerous other governments, as well as the dedication of parties and organizations, the peace movement, and people with different political and ideological attitudes have contributed to bringing about the Washington accord between the Soviet Union and the United States.

All peace-loving forces are now called upon to be vigilant in ensuring that the introduction of nuclear disarmament becomes a reality.

Dear comrades: We believe that this first disarmament agreement must be followed by others. We therefore welcome and support the intention of the USSR and the United States to halve the strategic offensive weapons of the two sides, while strictly adhering to the treaty on limiting missile defense systems (ABM Treaty), with the aim of signing a relevant agreement next year.

We reiterate our stance that a ban on chemical weapons and a halt to nuclear tests are also urgent tasks of the present.

The Politburo affirms the assessment made in the statement by the general secretary of the SED Central Committee on 8 December to the effect that strict implementation of the Washington accord can change the strategic situation for the better, particularly in Europe. "The preconditions are improving for extending disarmament to other fields—reducing tactical nuclear weapons, drastically cutting conventional armed forces and armaments, establishing a corridor free of nuclear weapons, a zone free of chemical weapons in central Europe, and agreeing on measures for preventing surprise attacks."

Comrades, the Washington accords are a welcome sign of climatic changes in international relations. People have now for the first time experienced the struggle against nuclear weapons as being worthwhile.

Developments during the past few months have made it clear that with good will and with respect for the legitimate interests of all sides, there are good prospects for making progress on the path of disarmament and detente, both in the nuclear and conventional sphere.

In this question, which is so important for mankind, the aim must continue to be to rouse the global conscience and work together with all forces of reason. Although the old cliches of a "threat from the east" have to a considerable extent lost their attraction, the most aggressive imperialist forces have by no means bowed out.

We cannot disregard the fact that influential forces in capitalist countries are calling for some form of compensation for the agreed disarmament in one type of weapon through intensified arms escalation in another. Beset by technological arrogance, they continue to nurture the illusory hope of being able to attain military superiority over socialism. These forces will, however, not risk everything if the peace forces in all countries continue to resolutely bring their influence to bear.

Nothing will happen automatically in disarmament in the future, either. Great efforts are still needed to implement what has been agreed and to achieve accords which bring us closer to our declared aim—the creation of a comprehensive system of international security.

Comrades: Against the background of the financial crisis—which has now become public—of the United States and the capitalist system as a result of debts caused by the arms escalation, concern and insecurity are gradually increasing throughout the capitalist countries.

The value of the U.S. dollar has declined to the lowest level since World War II; the United States have become the largest debtor country in the capitalist world. "Many fear that the decline of the dollar exchange rate this year will be followed by a recession in 1988-89," the FRG newspaper DIE WELT wrote recently. The insight that things cannot continue as before is growing. Voices are multiplying in the United States calling for a halt to the process of continued state debt, for concentrating again on economic recovery, above all of the civilian industry, and for creating a foreign policy for this purpose which gives priority to policy and not military factors. Whether this will come about can only be determined by future developments.

The 70th Anniversary of the Great October Socialist Revolution—an Event of Great Importance [subhead]

Comrades: In fraternal alliance with the CPSU, the peoples of the Soviet Union, and all fighters for peace and social progress in the world, our party and the citizens of our country together celebrated the 70th anniversary of the Great October Socialist Revolution. At that time the foundation stone was laid for the global transition of the peoples from capitalism to socialism, from the realm of necessities to the realm of freedom, peace, social justice, and human dignity.

The impression of the celebrations is still fresh in our minds. The festive event in Moscow and in particular the speech of CPSU Central Committee General Secretary Mikhail Gorbachev, impressively demonstrated the progress of the Soviet country under the leadership of the party of Lenin. The Soviet Union has been transformed from a divided, backward country into a socialist world power which possesses all the preconditions for solving the tasks of the present and the future.

The implementation of the decisions of the 27th CPSU Congress to perfect the socialist social system in the Soviet Union and to establish a new way of thinking in the international arena is of great importance for the cause of Red October, for strengthening socialism in the USSR, and for its influence on global events. We are deeply convinced that the CPSU and the Soviet people will succeed, with the impetus from those October days, in bringing to fruition the advantages and driving forces inherent in socialism. By successfully mastering the scientific-technological revolution, socialism will further increase its attractiveness. The path which has been taken by the socialist countries is given particular weight by the further revolutionary changes in the Soviet Union. In the spirit of internationalist and fraternal solidarity, the communists and the people of the GDR are watching the struggle of the CPSU to implement the course of restructuring and renewal to which the implementation of the decisions of the 11th SED congress is making an active contribution.

The peace initiatives of the Soviet Union and the steadfast struggle to save mankind from perishing in a nuclear inferno, which is demonstrated by the boldness of a new approach toward solving the international problems, are a consistent continuation of Lenin's peace policy.

The festivities in Moscow, which were attended by a party and state delegation headed by Comrade Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, were an

event of utmost international importance. The outstandingly representative participation of 178 delegations impressively demonstrated the support extended by broadest social and political circles in the world to the consistent peace policy of the Soviet Union and the course of the 27th CPSU Congress.

Our party has always considered its relations with the Soviet Union a principled class issue. Comrade Erich Honecker spoke from all our hearts when he stressed in his speech at the Moscow festivities: "We are pleased about today's Soviet Union and its militant Communist Party that is always striving to achieve new goals. We are pleased about the Soviet country 70 years after Red October, about its power, its courage, its successes, and its plans. We are proud of the friendship that unshakably links our peoples and states and that unites them in the struggle for peace and socialism."

This was also the spirit in which the talk between Comrade Honecker and Comrade Mikhail Gorbachev took place, which was dedicated to the further development of the relations between the GDR and the Soviet Union, which are reaching a qualitatively new level that corresponds to the requirements of the current stage of socialist construction in both countries.

In his speech at the award of the Lenin Order, Comrade Andrey Gromyko paid tribute to Comrade Erich Honecker as a tested fellow-fighter, who during his entire life—no matter whether working in the Communist Youth Association of Germany or as the head of the SED—has always been firmly and unshakably loyal to Marxism-Leninism and to the Soviet Union. Comrade Erich Honecker symbolizes that kind of future on German soil Lenin dreamed about as early as the beginning of our century, Andrey Gromyko said.

The festive event of the SED Central Committee, the State Council, the Council of Ministers, and the National Council of the GDR National Front affirmed that the firm fraternal alliance and the unshakable militant alliance of the CPSU and the SED, of the USSR and the GDR are the foundation of our further successful progress.

The enthusiastic manifestation of the 100,000 FDJ members and pioneers in Belin's Lenin Square showed that the friendship with the Soviet Union is being passed on from generation to generation.

To consolidate the fraternal alliance with the Soviet Union and to develop cooperation with it was our party's most important concern during the entire period under review. In the talk with USSR Defense Minister Comrade Army General Dmitriy Yasov during his official visit to the GDR in mid-September, Comrade Erich Honecker stressed that the GDR will continue to fulfill its mission as a cornerstone of socialism and peace in Europe.

The GDR-Soviet Friendship Society, too, makes an important contribution to further strengthening the friendship with the Soviet Union. On the occasion of its 40th anniversary Erich Honecker paid tribute to its work by awarding the Karl Marx Order to this institution. The current elections and preparations for the 13th Congress of the GDR-Soviet Friendship Society on 14 and 15 May 1988 will be used to establish even closer fraternal ties with the land of Lenin.

Cooperation with Fraternal Socialist Countries Strengthened [subhead]

Comrades: In the period covered by the report we have also made progress in developing our relations with the other socialist countries. We have been and are endeavoring to strengthen cooperation among the socialist countries. Taking into account the multiplicity of their development, their responsibility for the development of their own people, and respect for the performances of friends and allies, mutual trust, and reciprocal advantage. It is our aim to make ever clearer the advantages of socialism by making successful progress in the development of the advanced socialist society in our own country, and through close cooperation with the fraternal countries. This is also the intention of the resolution on "The Transformation of Multilateral Cooperation and Socialist Economic Integration as well as the Work of the CEMA" which was adopted by the 43d Extraordinary CEMA Conference in Moscow on 13-14 October.

At their meeting in September, Comrades Erich Honecker and Wojciech Jaruzelski drew up a positive balance sheet of cooperation between the GDR and PPR and SED and PZPR in the past 2 years. It has received further concrete stimuli. Our parties start from the premise that the firm indestructible friendship and cooperation between the GDR and PPR are of extraordinary significance for the cause of socialism and peace. The Oder-Neisse peace frontier is and continues to be a border that does not separate our peoples, but links them. This idea is promoted by an agreement to work on a joint project that establishes even closer links between the youths of our countries.

During the official friendship visit of the party and state delegation to Bulgaria Comrades Erich Honecker and Todor Zhivkov signed a program on the expansion and strengthening of economic and scientific-technological cooperation between the GDR and the People's Republic of Bulgaria through to the year 2000. They intended to make a qualitatively new step in the joint solution of emerging problems.

The official friendship visit by Comrade Erich Honecker to the SR of Romania was an important contribution to the deepening mutual cooperation. In the talks with Nicolae Ceausescu both sides paid tribute to the high

level of development of the long-term mutually advantageous cooperation. Numerous regulations for its intensification were agree upon. The exchange of views experiences between the SED and RCP on issues of socialist construction will be further expanded.

During the meetings between Comrade Erich Honecker and Branko Mikulic, president of the SFRY Federal Executive Council, in Berlin, both sides expressed satisfaction at the long-standing and stable relations between the two parties, states, and peoples.

Relations between the SED and CPC, and between the GDR and PRC have developed in a pleasing way. This underlines the significance of the measures adopted by both sides which aim at further expanding these relations on the basis of the agreement reached by Comrades Erich Honecker and Zhao Ziyang in Berlin. There was a comprehensive exchange of delegations and experiences between the SED and CPC. Focal points were an exchange of information and experiences in the sphere of propaganda work, of socialist economic management, socialist state and legal matters, and organization work of both parties.

The consultation scheme on foreign-policy issues was expanded and highlighted by the recent official visit of Comrade Oskar Fischer to the PRC. Contacts at the level of the supreme people's representative bodies, of ministries, trade unions, women's and youth organizations, as well as other social organizations were expanded.

Much attention was devoted by both sides to economic and scientific-technological relations. Concrete agreements on bilateral cooperation in the spheres of construction, electric power engineering, and in agriculture, the foodstuffs industry, and forestry have been stipulated.

There is a lively exchange in the spheres of culture and sports. Comrade Manfred Ewald, president of the German Gymnastics and Sports Federation, took part in the most recent PRC Sports Festival. Guest performances by Chinese art ensembles at the Berlin Festival were very successful. The citizens of our country were able to familiarize themselves with the cultivation of the national cultural heritage in the PRC at the important exhibition of clay figures representing warriors and horses from the Qin Dynasty.

In July Comrade Erich Honecker met with Comrade Feng Wenbin, member of the Central Consultative Commission attached to the CPC Central Committee, as well as Comrade Zhu Min, daughter of the legendary Marshal of the Chinese Liberation Army Zhu De. Both of them participated in the celebrations marking the 750th anniversary of Berlin.

In October Comrade Erich Honecker received Carlos Rafael Rodriguez, member of the Politburo of the Central Committee of the Cuban Communist Party and chairman of the State Council and Council of Ministers of Cuba, who was in Berlin on the occasion of the meeting of the Joint Committee for Economic and Scientific-Technological Cooperation. During their talk both sides paid tribute to the high level of comradely and fraternal relations between the GDR and the Republic of Cuba.

The further successful development of the close and manifold relations between the GDR and the Mongolian People's Republic, which have already reached a high level, was at the center of the official friendship visit by Comrade Willi Stoph to the Mongolian People's Republic. Both sides discussed concrete measures designed to implement the agreements reached at the highest level, particularly to realize the long-term program for the development of scientific-technological cooperation between the GDR and Mongolian People's Republic through the year 2000.

Visit by Erich Honecker to the FRG—Success of the Policy of Reason and Realism [subhead]

Dear comrades: Of particular significance for the improvement of the political climate, for peace, disarmament, and cooperation in Europe was the official visit by Comrade Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, to the FRG from 7 to 11 September, which is rightly seen as a success for the policy of reason and realism. It was fully supported by GDR citizens, it found widespread agreement among FRG citizens, and it was given extraordinary attention on all continents.

It was made clear that the GDR and FRG, as sovereign, independent, and equal states, can contribute to peace and security in Europe through relations of peaceful coexistence and mutually beneficial cooperation. They have a special responsibility for peace at the dividing line between the two differing social systems—between the Warsaw Pact and NATO.

This is acknowledged by the joint communique when it says "that the relationship between the two states must remain a stabilizing factor for the constructive East-West relations. It should contribute positive influences for peaceful cooperation and dialogue in Europe and beyond." There can be no goodneighborly, peaceful relations without peaceful togetherness of the GDR and the FRG.

During the extensive exchange of views between FRG Federal President Richard von Weizsaecker, Federal Chancellor Helmut Kohl, and other leading FRG politicians, including all the chairmen of the parties represented in the Bundestag, the joint view was stressed that peace can only be preserved and strengthened today through disarmament and joint security. This far-reaching agreement on the question of peace is the decisive result of Erich Honecker's visit to our western neighbor. On this basis, the contribution of the German states was

stressed for the successful course of international negotiations on effective arms control and disarmament measures. The two sides should take action to this end within their respective alliances.

The fact that the two German states, as jointly stated, support the scrapping of intermediate-range nuclear missiles without ifs and buts, is a deed for meeting the obligation to ensure that war will never again start from German soil, only peace.

The GDR and the FRG also made a meaningful contribution to the success of the summit meeting between Mikhail Gorbachev and Ronald Reagan in that they supported a double zero option in operational-tactical and intermediate-range missiles.

Proceeding from the desire announced by the two sides in the joint communique to promote steps toward disarmament and detente, we now believe the time has come to start negotiations on the creation of a corridor free of nuclear weapons in central Europe. In view of the INF treaty just signed, we support negotiations on the reduction of shorter-range nuclear missiles. We are in favor of freeing Europe from nuclear weapons.

An immediate halt to the stationing of cruise missiles in the FRG before the ratification of the INF treaty by the Soviet Union and the United States would produce greater security now. We share the view that the FRG should follow the example of Belgium and the Netherlands. Obstacles must not be allowed through new and modernized short-range missiles. Moreover nuclear disarmament, to the point of the complete scrapping of nuclear weapons, must not be compensated for by enhanced conventional arms. We want disarmament for all weapons. In short, fresh opportunities exist for creating peace with ever fewer weapons. It is important to make use of them in the accepted vital interests of the states and peoples of Europe. The peace-threatening doctrine of deterrence should be replaced by a humanist doctrine of joint security, as set out in the Warsaw Pact military doctrine.

We agree with the view of decisive political forces in the FRG that in the relations between the socialist GDR and capitalist FRG peace is not everything, but all else is nothing without peace. Peace preservation and the joint responsibility for peace remains the key issue in relations between the two German states. In this it should be stressed in particular that the inviolability of the postwar order is a very important condition in the process of strengthening peace and creating a system of guaranteed security which is in the interests of all European states. We do not want confrontation but dialogue and cooperation with the FRG. Further decisive steps toward normalization between the two German states serve peace in Europe, promote understanding, and bring advantages to the people in the two states.

During the official visit by Erich Honecker, paths were opened up and fresh prospects toward this were found. The agreements and accords between the GDR and FRG Governments in the fields of environmental protection, radiation protection, and cooperation in science and technology create new possibilities for cooperation and collaboration in important areas.

A series of stipulations serve the development of relations in the fields of economy and trade, scientific-technological cooperation, environmental protection, and in the cultural and humanitarian area. Bilateral meetings of ministers, improvements in the travel and postal sectors, further town-twinning agreements between towns in the GDR and the FRG, and parliamentary visits show that the agreements have been followed by action.

The GDR will, step by step, breathe life into the joint stipulations in the communique and implement the commitments entered into without restrictions, although the fact must not be overlooked that certain political forces in the FRG have still not given up their attempts at interference in the GDR's internal affairs.

The course and the results of Erich Honecker's visit to the FRG reaffirmed to the whole world the international-law character of the relations between the two German states.

In this connection it is of fundamental importance to stress the acknowledgement of the inviolability of the European borders, which came into being after World War II, and the mutual agreement that each of the two German states individually determine internal and external affairs in a sovereign way and in accordance with the Basic Agreement.

The fact that the GDR head of state was received in Bonn with the national anthem, the state flag, and a military ceremony—in accordance with international practice—means that the commentators of the world's news agencies are right in saying that thus "realism has finally prevailed."

Dreams are but shadows. This has been proved yet again, in particular with regard to fireside dreaming about "reunification." This is increasingly being realized by influential political circles in the FRG and by representatives of economic, cultural, and intellectual life. The truth stressed by Erich Honecker that socialism and capitalism can as little be united as fire and water has now already entered into the political vocabulary everywhere.

In the interests of normalizing relations with West Berlin, the negotiations between representatives of the GDR Government and the Senate of Berlin (West) on a number of practical questions were continued in the period under review.

Despite some attempts at disruption by the Western side, the GDR is demonstrating in this way its good will to ensure peaceful coexistence between the GDR and West Berlin. The basic condition for this continues to be, of course, that the Quadripartite Agreement on Berlin (West), with its central provision that West Berlin is not part of the FRG and may not be governed by it, is not circumvented. An increasing number of political forces in West Berlin who are concerned about the future of their city also see it in this light. We are for the strict observance and full application of the Quadripartite Agreement on Berlin (West).

Relations With Capitalist Countries Were Expanded [subhead]

Comrades, relations have been expanded with other capitalist countries, too. During the state visit of the president of the Republic of Finland to the GDR the constructive political dialogue between the two states, which was started 10 years ago, the trusting and frank exchange of opinions between Erich Honecker and Mauno Koivisto, was continued. It demonstrated a high degree of concurrence in the basic questions of the present. The results of the visit are of far-reaching importance for the bilateral cooperation and for the struggle for peace, disarmament, and detente. The relations between the GDR and Finland are exemplary for relations based on peaceful coexistence between states with different social systems.

During his state visit to Belgium, Erich Honecker was honored as the representative of socialist Germany and as a proven fighter of the German antifascist resistance. The talks with King Baudouin I, with Prime Minister Martens, and with other personages showed that there is agreement on a number of fundamental questions of the safeguarding of peace. This is all the more important since Belgium is—as is known—one of the NATO states where U.S. intermediate-range missiles are deployed. Important measures were agreed to further expand the relations between the two countries.

With the visit of John C. Whitehead, U.S. first deputy secretary of state, the dialogue with the United States was further intensified. The interest in developing bilateral relations was expressed and the positions of the GDR and the United States on some international questions, in particular disarmament, were expounded.

At his meeting with U.S. industrialist Armand Hammer in Berlin in September, Erich Honecker paid tribute to Armand Hammer's decades-long work for peace and understanding among peoples by developing mutually beneficial trade between East and West. Both men affirmed that there is no reasonable alternative to the policy of peaceful coexistence.

In a meeting with Japanese industrialists, Erich Honecker stressed the GDR's desire and willingness to effectively continue and further develop the political dialogue between the two countries' governments and parliaments on questions of safeguarding peace and economic and scientific-technological relations and the cultural exchange.

In a talk with Cyprus' Foreign Minister Georgios Iacovou, Erich Honecker emphasized the GDR's support for a peaceful, just, and lasting solution to the Cyprus problem in line with the corresponding UN resolutions and the observance of the legitimate interests of both parts of the Cypriot population.

Over the past few months members of the party leadership held talks with politicians and members of parliament from France, the Netherlands, Austria, the FRG, and the European Parliament.

The GDR Supports the CSCE Process [subhead]

Comrades: The GDR attaches great importance to the continuation of the CSCE process. For this purpose it has, like the other socialist states and the majority of the other countries participating in the Vienna CSCE follow-up meeting, tabled numerous proposals. Specific agreements are now necessary for the consolidation of detente on the continent. This primarily applies to the elaboration of a mandate for future negotiations on arms limitation and disarmament in the conventional area from the Atlantic to the Urals, which should begin in 1988. Substantial agreements on all parts of the Helsinki Final Act, which take into consideration the legitimate interests of all parties concerned, would be a gain for the common European house.

As far as the Vienna negotiations on a mutual reduction of armed forces and armaments in central Europe are concerned, the GDR holds the view that they should end with a positive result while maintaining the principle of equality and equal security.

Our republic supports the proposals made by Mikhail Gorbachev for limiting and reducing military activities in the north of our planet and for turning the Arctic into a zone of lasting peace. We welcome the initiatives of Finland and other states toward making northern Europe free of nuclear weapons.

The efforts to liberate the Balkans from nuclear and chemical weapons find our full support. As to date, the GDR will continue to contribute to strengthening global and regional security with initiative and a willingness to accept even partial solutions. It will continue its efforts, initiated together with the CSSR, for the creation of a nuclear-free corridor and a zone free of chemical weapons in central Europe.

We continue to favor creating more security with fewer weapons. In addition to a radical reduction in strategic offensive weapons, the maintenance of the ABM Treaty, and preventing the spread of armaments to space, priority items on the agenda are a ban on nuclear tests and

chemical weapons and substantial disarmament in the conventional area. The GDR accepts all controls which are agreed and appropriate to jointly formulated concerns. As the British inspection of units of the National People's Army—carried out in September on the basis of the Stockholm agreement—has proved, the GDR strictly observes the corresponding stipulations. We also regard as useful the intensification of dialogue at the level of the organizations of the Warsaw Pact and of NATO.

We note with satisfaction that not only the socialist fraternal countries but also a series of neutral, nonaligned, and other states support the proposal of the GDR and the CSSR for the creation of a nuclear-free corridor in central Europe.

This was also expressed by messages to Erich Honecker by Greek Prime Minister Andreas Papandreou and Swedish Prime Minister Ingvar Carlsson, as well as by Mexican President Miguel de la Madrid and Argentina's President Raul Alfonsin, whose countries belong to the six state initiative, by Robert Mugabe, prime minister of Zimbabwe and chairman of the Nonaligned Movement, and by Norwegian Prime Minister Gro Harlem Brundtland.

The "Olof Palme peace march for a nuclear-free corridor," which took place simultaneously in the GDR, the FRG, the CSSR, in Austria, and in Sweden from 1-19 September 1987, was proof of the public's broad support for this initiative.

The increasing international interest in the GDR's political affairs, development, and achievements is also reflected in the active work of friendship societies in 70 countries and in the lively relations between hundreds of partner cities in almost all capitalist countries. An outstanding example of their work was the "GDR Week" organized by Linz and the Austria-GDR Society in November, during which the Austrian people were able to acquaint themselves in many ways with the GDR.

An expression of the increased international respect for the GDR is the special tribute paid to its peace policy by the spokesmen of the socialist states and numerous representatives of developing countries and capitalist states in connection with the election of Comrade Peter Florin as president of the 42d UN General Assembly. Comrade Oskar Fischer, who explained the basic elements of the GDR's peace-oriented policy before the General Assembly plenum, appealed to all states to sensibly fulfill their responsibility for safeguarding peace, for arms limitation, and for disarmament.

In his greetings address to the international conference on "Disarmament and Development" in New York, Comrade Erich Honecker affirmed that guaranteeing comprehensive international security requires disarmament and development. Far-reaching disarmament measures not only reduce the danger of war but also free considerable resources for the economic and social development of all states. These could be used in particular to solve the acute problems of the developing countries, including their foreign debt, to combat hunger and diseases, to protect the environment, and to master other global problems of mankind.

Deepening Cooperation With States in Asia, Africa, and Latin America [subhead]

Comrades: It is remarkable that since the 1986 nonaligned summit in Harare, the states of Asia, Africa, and Latin America have worked with even greater commitment to prevent a nuclear war and to eliminate regional sources of crisis and conflict.

An increasing danger to peace in the world comes from the escalating conflicts in the Persian Gulf. The GDR supports the Security Council Resolution 598 as the basis for a peaceful settlement of the conflict between Iran and Iraq. Acts of military power by other states, including unilateral sanctions, are fanning tensions and emotions. We support the USSR proposal to withdraw all foreign warships from the Gulf Region and to replace them by UN forces.

The GDR affirms its positive attitude to the proposal to convene an international Middle East peace conference, in which the PLO would take part on an equal basis.

In his friendly talk with Abdul Wakil, foreign minister of the Democratic Republic of Afghanistan, in mid-November, Erich Honecker welcomed the process of national reconciliation in Afghanistan, which has been initiated by the Democratic People's Party of Afghanistan, as an important contribution to consolidating peace in Asia.

We also fully support the steps undertaken by the PRK to achieve national reconciliation and to create neutral, free, independent, and nonaligned Cambodia.

Southern Africa still remains a dangerous hotbed of conflict in the world. The apartheid regime is the main obstacle to a peaceful and beneficial development in southern Africa, from which great dangers derive for security and world peace. The GDR and the SED will continue to stand in firm solidarity at the side of the peoples of Mozambique, Angola, the other frontline states, the African National Congress, and the South-West African People's Organization.

In a talk with Army General Chipande, defense minister of the People's Republic of Mozambique, Comrade Erich Honecker affirmed that the GDR is supporting with sympathetic feelings the struggle of Mozambique, of the Frontline States, which are establishing ever closer links, and of South Africa's and Namibia's national liberation movements against apartheid and for the defense against the policy of destabilization and aggression pursued by South Africa and its imperialist allies.

The GDR attaches great significance to the states and peoples of Latin America striving for independence and democracy. During his meeting with Nicaraguan President Daniel Ortega in Moscow, Comrade Erich Honecker paid tribute to the self-sacrificing struggle of the Nicaraguan people under the leadership of the Sandinist National Liberation Front to defend their revolutionary achievements. He stressed Nicaragua's important contribution to concluding the Guatemala peace accord, which constitutes a constructive step toward the peaceful settlement of the conflict in Central America and thus toward safeguarding world peace.

The International Meeting in Moscow Was an Outstanding Event [subhead]

Comrades: The international meeting held in Moscow at the instigation of the CPSU to mark the 70th anniversary of the October Revolution was a historically important event, which was attended by the leading representatives of 178 communist and workers parties, revolutionary-democratic, national-democratic, socialist and social-democratic parties, other democratic parties, as well as national liberation movements from 120 countries.

Since the SED's International Karl Marx Conference in 1983, this was the first meeting where parties and movements from such a broad political range were present.

The participants in the meeting agreed that securing mankind's survival calls for their cooperation, whatever ideas about social progress they may have.

Great attention was paid to Erich Honecker's statements on the experiences of our party and the GDR in the development of the active political dialogue and in the struggle to establish a broad coalition of reason and realism, in particular of the main forces of the workers movement, in the interest of peace.

The participants in the meeting agreed that now everything has to be done to make good use of the chance to start nuclear disarmament, which has been provided by the Soviet-U.S. summit in Washington and by the signing of the agreement on the elimination of Soviet and U.S. intermediate- and shorter-range missiles. They stressed that a steadfast struggle must be waged to push back and overcome the influence of those forces that accelerate the arms race and count on the striving for military supremacy, on confrontation, and global hegemony.

The meeting demonstrated that the communist and other parties and movements are aware of their responsibility in the struggle against the danger of a nuclear world war. At the same time it became clear that the constellation of the class forces in the individual countries and regions results in different ways of action. It was stressed that peaceful coexistence by no means cancels out the class struggle and the opposition between systems. Rather what is important is that different ideological positions and different interests of states should be pursued only by peaceful means in the competition between systems, and never by military means.

The participants in the meeting put the vital issues of the peoples at the top of their agenda. Just as the safeguarding of peace is the life and death question for all people, so the removal of all imperialist scourges on mankind remains on the agenda. As long as there are classes and class struggles, as long as there is colonial oppression, the struggle for liberation from exploitation and oppression will continue.

The Politburo expresses its firm conviction that the October festivities and the Moscow international meeting will provide new, strong stimuli to joint work in the struggle for peace, democracy, and social progress. It affirms that the SED will make an active contribution to implementing the common concern outlined at the meeting, to strengthening the cooperation of all forces that are interested in peace and cooperation.

In the interest of safeguarding peace and social progress, during the period under review we have continued to cooperate and exchange views with communist and workers parties, revolutionary-democratic, national-democratic, socialist, and social-democratic parties, and with liberation movements.

Of increasing importance is the exchange of views and experiences with the fraternal parties in socialist countries, which centers on the struggle for peace and on the newly emerging issues of the building of socialism. In this cooperation between the fraternal parties, which embraces both national and international interests, mutual understanding is strengthened and mutual support is deepened.

In the 70th year of Red October, the exchange of opinions and experiences with the CPSU was particularly intensive. The identical and the specific experiences in implementing the resolutions of the 11th SED Congress and the 27th CPSU Congress, offer a good basis for the successful execution of the resolutions of our 11th congress.

In the friendly talk which Comrade Erich Honecker had in August with Aleksander Yakovlev, member of the Politburo and secretary of the CPSU Central Committee, both sides stressed the need to further deepen cooperation in particular in those areas that are especially important for the social development in both countries and for meeting international requirements.

Comrades Hermann Axen and Erich Mueckenberger went to Moscow for meetings with their Soviet counterparts. The SED Central Committee sent six delegations to the CPSU and received three delegations. The exchange of consultation groups of university teachers

and of representatives of scientific institutions and the official press organs of both parties was intensively continued for mutual benefit.

This also applies to the relations between the bezirk party organizations, enterprises, and institutions with their partners in the Soviet Union. One is fully justified in noting that the lively exchange with the CPSU has become daily practice at all levels of the party for mutual benefit.

Relations with the other fraternal parties were also purposefully pursued.

In the greetings address of the SED Central Committee to the 13th CPC Congress, Comrade Erich Honecker stressed that the Chinese people—under the leadership of the CPC—have achieved important successes in building the socialist society and that all sectors of social life are experiencing a remarkable upswing. It was affirmed that our party is determined to continue the dynamic development of relations and cooperation between our parties, states, and peoples.

Comrades Hermann Axen, Werner Felfe, Kurt Hager, Egon Krenz, Guenter Mittag, and Guenter Schabowski met with their partners of the PZPR, the CPCZ, the BCP, the RCP, and the CPC. During the period under review 40 delegations were exchanged between the Central Committees of the SED and of the fraternal parties in the other socialist countries. For the first time two study delegations of the SED Central Committee paid a visit to the PRC in order to acquaint themselves with the work of the CPC after its 13th congress.

Issues relating to the safeguarding of peace and the active promotion of the interests of the workers class and of the working people under the conditions of a capitalist application of the scientific-technological revolution were the main focus during the period under review with regard to the exchange of views and experiences with communist and workers parties in capitalist countries. The comrades of the fraternal parties paid tribute to the beneficial influence of the active and flexible peace policy of the socialist states, which is giving new impetus to the struggle for peace in the capitalist countries.

A highlight in the long-standing fraternal relations between the SED and the Portuguese Communist Party was the visit of its General Secretary Alvaro Cunhal to the GDR. In the exchange of opinions with Comrade Honecker the total concurrence of the views of our two parties with regard to the vital questions of our time was affirmed.

Comrade Erich Honecker received Franz Muhri, chairman of the Communist Party of Austria, for a friendly talk, the course of which reflected the traditionally close, trusting relations between the SED and the Communist Party of Austria.

During his state visit to Belgium, Comrade Erich Honecker also had a friendly meeting with Louis van Geyt, chairman of the Belgian Communist Party.

Comrade Erich Honecker held a comradely exchange of views on questions of safeguarding peace with a delegation of the Communist Party of Japan, headed by Hiroshi Tachiki, member of the Standing Presidium and head of the International Commission of the Central Committee.

The focal points of the exchanges of delegations and experiences with parties and national liberation movements of Asia, Africa, and Latin America were issues relating to the safeguarding of world peace and current tasks in the struggle for social progress in view of the changed circumstances of the international class struggle. The representatives of the fraternal parties paid high tribute to the internationalist solidarity of the SED and the GDR citizens, especially with those parties and organizations that are exposed to particular pressure from imperialism and reactionary forces.

During his meeting with Comrade Volodia Teitelboim, member of the Political Committee and the Secretariat of the Central Committee of the Communist Party of Chile [PCC], in Moscow, Comrade Erich Honecker stated that in the future the GDR will continue to stand firmly at the side of the Chilean democrats. Together they demanded the immediate release of Clodomiro Almeyda, general secretary of the Socialist Party of Chile, and all political prisoners in Chile.

In his meeting with ANC President Oliver Tambo in Berlin in mid-November, Comrade Erich Honecker paid tribute to the intensifying struggle of the oppressed people's masses to eliminate apartheid and to establish an antiracist, unified, democratic, and peace-loving South Africa. He reaffirmed the fraternal solidarity of the SED and the GDR people with the ANC and all South African patriots.

We now reaffirm our protest against the illegal imprisonment of Haydar Kutlu, general secretary of the Central Committee of the Communist Party of Turkey, and Nihat Sargin, general secretary of the Turkish Workers' Party, and demand their immediate release.

The SED received 23 delegations of communist and revolutionary-democratic parties and of liberation movements which came to the GDR for working visits, consultations, and study purposes, and sent 3 delegations. In addition, SED delegations took part in the congresses of the Communist Party of Tunisia, the Party for Progress and Socialism of Morocco (PPS), the Communist Party of Brazil, the Mexican Socialist Party, and the Revolutionary Party of Tanzania (CCM), as well as in the party conference of the Yemeni Socialist Party.

This year, too, the SED participated in press festivals of fraternal parties in capitalist countries. These were political actions with an effect on the masses organized by the fraternal parties in the struggle for disarmament and peace, for social justice, and against mass unemployment and cuts of social benefits. They were attended by about 7 million people. The information stands of NEUES DEUTSCHLAND attracted about 1/2 a million visitors with exhibitions and varied political, cultural, and sports events.

Comrades, during the period under review there were further international activities by our party's general secretary and by members and candidate members of the Politburo:

—In Berlin Comrade Erich Honecker received Meir Vilner, general secretary of the Central Committee of the Israel Communist Party.

—Comrade Erich Honecker received Uruguayan Foreign Minister Enrique Iglesias for a talk.

—Comrades Guenter Mittag and Guenther Kleiber took part in the meeting of the secretaries for economic issues of the central committees of the communist and workers parties of the CEMA member states at the beginning of December.

—On the occasion of the 43d CEMA session, Comrade Willi Stoph had a friendly meeting in Moscow with Comrade Karoly Grosz, chairman of the Council of Ministers of the Hungarian People's Republic.

—During his visit to Belgrade, Comrade Horst Sindermann was received by Comrade Lazar Mojsov, president of the SFRY Presidency.

—In Addis Ababa Comrade Horst Sindermann met with Mengistu Haile Mariam.

—In Berlin Comrade Horst Sindermann received Pieter Steenkamp, chairman of the first chamber of the States General of the Kingdom of the Netherlands, who stayed in the GDR as the head of a delegation from the two chambers of the Netherlands Parliament; French politician Jacques Kosciusko-Morizet; and Rudi Arndt, chairman of the socialist group in the European Parliament.

—Comrade Hermann Axen was received by Comrade Todor Zhivkov in Sofia.

—In Berlin Comrade Hermann Axen received Mrs Rozanne L. Ridgway, U.S. deputy secretary or state; a group of U.S. congressmen headed by Steny H. Hoyer, chairman of the Commission for Security and Cooperation in Europe; and Adolfo Gass, chairman of the Foreign Policy Committee of the Senate of the Republic of Argentina.

—Comrade Hermann Axen had talks with Ole Sohn, chairman of the Communist Party of Denmark; Rene Urbany, chairman of the Communist Party of Luxembourg; Juan Ramos, general secretary of the Communist Party of the Peoples of Spain; Gaston Plissonnier, member of the Politburo and secretary of the PCF Central Committee; Sam Nujoma, chairman of the Namibian South-West African People's Organization; Jorge del Prado, general secretary of the Communist Party of Peru; Hugo Fazio, member of the Political Committee and secretary of the PCC Central Committee; Rodrigo Rojas, member of the Secretariat of the PCC Central Committee; an official delegation of the Panhellenic Socialist Movement (PASOK) of Greece; Pierre Beregovoy, national secretary of the French Socialist Party; Jacques Kosciusko-Morizet, national secretary of the French Rally for the Republic; Samar Mukherjee, member of the Politburo of the Central Committee of the Communist Party (Marxist) of India; Abderrezak Bouhara [spelling as published], member of the Standing Secretariat of the Central Committee of the Algerian National Liberation Front (FLN); and Vidoje Zarkovic, member of the Presidium of the LCY Central Committee.

—Comrade Hans-Joachim Boehme received a delegation of the Communist Party of Finland (Unity) headed by Deputy Party Chairman Yrjoe Hakanen.

—Comrade Horst Dohlus received a delegation of the Communist Party of India headed by Indradeep Sinha, member of the National Council Central Executive Committee; Miljan Radovic, member of the Presidium of the LCY Central Committee and chairman of the LCY Central Committee of Montenegro; and a delegation of the Mozambique Liberation Front (Frelimo) headed by Central Committee Secretary Eduardo Arao.

—In Berlin Comrade Werner Felfe met with Antonio Dias Lourenco, member of the Political Committee of the Central Committee of the Portuguese Communist Party, and with Naim al-Ashhab [spelling as published], member of the Central Committee Politburo and secretary of the Foreign Directorate of the Palestinian Communist Party.

—In Berlin Comrade Werner Felfe met with Swedish Minister of Agriculture Mats Hellstroem.

—In Prague Comrade Kurt Hager was received by Comrade Gustav Husak.

—In Berlin Comrade Kurt Hager met with a delegation of Soviet historians.

—In Berlin Comrade Joachim Herrmann met with Spyros Khalwatsis, candidate member of the Communist Party of Greece Central Committee Politburo; he received a study delegation of the Nicaraguan Sandinist National Liberation Front (FSLN) headed by Adilia Eva

Solis, head of the FSLN Department for Agitation and Propaganda and a delegation of the official CPC organ headed by Central Committee Member Qian Liren.

—In Berlin Comrade Heinz Kessler held talks with military delegations from the USSR, Cuba, the SFRY, the People's Republic of the Congo, Syria, India, Austria, and the People's Democratic Republic of Yemen.

—In Berlin Comrade Egon Krenz received the chiefs of the Political Main Administration of the Polish Army, the Soviet Army, the Soviet Navy, and the CSSR People's Army.

—Comrade Egon Krenz met the chief of the Political Directorate of the Sandinist People's Army.

—Comrade Egon Krenz held a talk with Einar Foerde, deputy chairman of the Norwegian Labor Party.

—Comrade Siegfried Lorenz received for talks Comrade Juan Ramos, general secretary of the Spanish Peoples' Communist Party; the study delegation of the Communist Party of India headed by Indradeep Sinha; and the official PASOK delegation.

—In Austria Comrade Guenter Mittag had talks with Franz Vranitzky, chancellor of the Republic of Austria.

—In Ulaanbaatar Comrade Erich Mueckenberger was received by Comrade Shambyn Batmonh.

—Comrade Gerhard Mueller received Comrade Antonio Dias Lourenco (Portuguese Communist Party) and a delegation of the Algerian National Liberation Front.

—Comrade Guenter Schabowski had talks with Fabio Mussi, member of the National Executive Committee of the Italian Communist Party, and with Antonio Dias Lourenco (Portuguese Communist Party).

Dialogue With Socialist and Social Democratic Parties To Be Continued [subhead]

Comrades, an important place in the SED's international work is occupied by the political dialogue with socialist and social-democratic parties in the interest of safeguarding peace. Thus, over the past weeks Comrade Erich Honecker, general secretary of the SED Central Committee, and other Politburo members had a large number of political talks and meetings with leading SPD politicians. In particular Erich Honecker's meetings in Berlin with Saarland Minister President Oskar Lafontaine; Klaus von Dohnanyi, senate president and mayor of Hamburg; and Klaus Wedemeier, mayor of Bremen, and his talks with Dieter Spoeri, member of the SPD Bundestag group and top candidate for the Baden-Wuerttemberg Diet elections in spring 1988; Bjoern Engholm, chairman of the SPD group in the Schleswig-Holstein Diet; and Gerhard Schroeder, chairman of the SPD group in the Lower Saxony Diet, served the further discussion of mutually interesting questions and the deepening of relations between the SED and the SPD. This was also the purpose of further meetings between GDR social scientists and members of the SPD Basic Values Commission.

The agreement concluded with the SPD party leadership to the effect that SED and SPD working groups will continue their work on questions of disarmament is important. This is to focus on joint proposals to achieve a situation in which it is not possible to carry out a first strike. The SED working group is headed by Comrade Hermann Axen.

The joint document "The Conflict of Ideologies and Common Security", presented by the Academy for Social Sciences of the SED Central Committee and the SPD's Basic Values Commission in August, is of historic importance. With this document, for the first time in almost 70 years, an agreement between German Communists and Social Democrats was reached, which has created a common platform for collaboration between the two parties on decisive issues of our time. Starting from the conclusion that mankind can now only survive or perish together, the responsibility of the two parties in the struggle for peace and for joint security stands at the heart of their cooperation. The document does not blur ideological contradictions, nor does it leave room for ideological coexistence. There is no convergence between the two social systems.

Under the conditions of the nuclear age, however, Communists and Social Democrats must move toward one another as never before and conduct their ideological differences with one another in such a way that they promote the common striving for peace. For a long time this document will form the basis for the work of our two parties on questions of peace and security, peaceful competition between the two systems, and joint responsibility for the solution of other global questions of mankind. At the same time, it places high demands on the ideological work of our party organizations.

The document is meeting with great and growing international approval.

The meetings between Comrade Erich Honecker, during his state visit to Belgium, Karel van Miert, chairman of the Flemish Socialist Party, and Guy Spitaels, chairman of the francophone Socialist Party, took place along these lines.

Other members of the Politburo met leading representatives of the French Socialist Party and the Norwegian Labor Party.

Delegations of our party took part in a bilateral colloquium of the "Vandervelde" Institute of the Flemish Socialist Party, in the 86th annual conference of the British Labor Party, and in the 39th Congress of the

Socialist Party of Uruguay. At the invitation of the SED, an official of the Panhellenic Socialist Movement of Greece was in the GDR for a visit of several days.

II. High Performance for the Benefit of the People and for Peace [chapterhead]

Unity of Economic and Social Policy—Great Mobilizing Power for High Performance for the Benefit of the People and for Peace [subhead]

Dear comrades, between the fourth and the fifth session, the Central Committee Politburo and the Council of Ministers launched into great activity to further successfully shape the developed socialist society in the GDR and to implement the decisions of the 11th SED Congress. The respective tasks set by Comrade Erich Honecker, general secretary of the SED Central Committee, in meetings with the first secretaries of the kreis leaderships are and have always been guidelines for our actions.

The Politburo is able to state: In town and countryside, the working people have made great efforts to achieve successful progress in the main battlefield of the unity of economic and social policy as the core of economic strategy. Within the firm relationship of trust between the party and the people, the workers have taken the resolutions of the 11th party congress to heart and are implementing them with great personal commitment. This is illustrated by the impressive results in socialist competition, led by the trade unions, in the struggle to overfulfill the 1987 national economic plan with regard to specific products.

A broad democratic discussion of demanding plan tasks in the coming year was conducted in direct connection with the struggle for the overall fulfillment and purposeful overfulfillment of the 1987 economic plan. Some 6.2 million workers took part in the 1988 plan discussion. More than 649,000 suggestions bear witness to the constructive spirit of the discussions in the trade union groups under the slogan "Participate in Working, in Planning, in Governing". They were aimed both at a further performance increase by means of intensification and at the improvement of working and living conditions. They were taken account of in the draft plans.

In keeping with the decisions of the 11th party congress , the supervisory consultations at the seminar of the SED Central Committee with the general directors of the combines and party organizations of the Central Committee were used to strengthen the militant position in all combines for the fulfillment of the 1987 plan and the drafting of the 1988 plan aimed at high output. There again the performance comparison as a method to guide economic processes politically proved successful. Thus it was possible to detect and utilize important economic reserves by evaluating the experiences of the best.

All this underscores once again the great mobilizing role of our party, the strength of our socialist democracy.

Economic Development of GDR Continued [subhead]

Comrades, month by month over the period under review, the Politburo concerned itself with the implementation of the 1987 economic plan. It laid down the necessary tasks for the state and economic bodies to further strengthen the economic performance of the national economy.

By the end of November, the national income rose by 4 percent. As was the case for the first time last year, this growth is once again totally based on an increase in labor productivity. This is a great achievement. Behind it lies the energy and the personal determined action of working people in all sectors of our economy.

It was industry that made the most significant contribution to the boosting of economic performance. Its share in the growth of national income is 80 percent. By the end of November, the industrial combines raised net production by 6.1 percent. It is of great value that with a growth rate of 6.5 percent labor productivity increased faster than net production. In 110 industrial combines labor productivity increased faster than production. This shows that the intensification of our economy is becoming increasingly comprehensive and obtaining permanent bases. Among the numerous combines that reliably fulfilled all key targets of performance evaluation and the production targets in the state plan positions with a major increase in labor productivity, are the "Hermann Matern" Strip Steel Combine, the Erfurt Microelectronics Combine, the Teltow Electronic Component Parts Combine, the Regis Brown Coal Installation Construction Combine, and the Mansfeld "Wilhelm Pieck" Combine, Eisleben.

All sectors of the economy contributed to the positive balance sheet. The workers of the production industry raised net production by 3.9 percent and labor productivity by 5.2 percent. The achievements would have been all the greater, if we had succeeded in securing the supply of building materials always and everywhere. For example, in Karl-Marx-Stadt Bezirk this October the three-shift operation initiated by the construction workers was disturbed as 5,900 tonnes of cement were not supplied.

Outstanding performance was also achieved by the cooperative farmers and workers in agriculture, forestry, and the foodstuffs industry. Actively supported by many hard working helpers and under complicated weather conditions, the GDR had its best ever harvest with 49.5 decitonnes of grain and 51 grain equivalent units per hectare. By the end of November, in the animal production sector the plan for state procurement of slaughter animals was overfulfilled by 85,000 tonnes, that of milk by 300,688 tonnes, and that of eggs by 133.3 million units.

Great achievements were accomplished by the working people of the transport system to meet transport requirements. The electrification of another 269 km of railroad by the end of November contributed to the more efficient solution of transport tasks.

At the same time it was necessary to take measures to stabilize and increase the efficiency of the network. That applies above all to the replacement of railroad ties and pylons damaged by alkali. This year some 300 km of railroads will be renovated. This work will be continued in the coming years on another 500-600 km. Thus additional economic expenditures are necessary.

In the same period the performance with regard to the supply to the population and the national economy increased by 4.3 percent in the postal and telecommunications service.

Decisive for the performance increase and the growing efficiency in all sectors was and is the increasing economic productiveness of scientific-technological work. According to Comrade Erich Honecker's guidelines, work has been focused on keeping pace with the growing dynamics of the productive forces and gaining a lead in important sectors in the race against time.

On the eve of the 38th anniversary of the GDR, for example, it was possible to proceed to the use of home-produced 256 kilobyte memory circuits after a corresponding technological production line for this had started up operation at the Carl Zeiss Jena Combine. Our country has thus achieved the international standard in the most frequently used microelectronic memory circuits in keeping with the latest technical developments. Once more an embargo has been broken. This is a renewed convincing expression of the efficiency of the GDR industry, science, and education in mastering high technologies. The basis for this is a well functioning system of the socialist planned economy.

Witness to the rapid and broad application of key technologies is the fact that this year 44,084 office, personal, and workplace computers and 15,145 robots have been manufactured. Closely linked with this is an 81-percent increase in the production of memory units for computer technology, and a 68-percent increase in the case of printers.

The production of monolythically integrated circuits grew by 54 percent and that of microprinting equipment by 26 percent. By the end of November, 41,000 CAD-/CAM workstations, which increasingly contribute to raising labor productivity and efficiency, were in use in the national economy.

An important contribution to the struggle for an increase in high economic performances with a reduced unit input in production were and are the initiatives "Return Funds to the State—Contribute to National Income", which have been broadly developed in socialist competition. This year so far material and financial funds amounting to M5.1 billion have been returned to the State Bank by means of checks.

Sociopolitical Program Further Successfully Implemented [subhead]

Comrades, in accordance with the unity of economic and social policy, high production performance was directly linked with an improvement of the people's material and cultural living standards.

As contained in the decisions of the 11th Party Congress, further progress was achieved in solving the housing question as a social problem. By the end of November, 190,240 apartments were built or modernized this year. These are 5,840 apartments more than provided in the plan. Thus housing conditions improved for 571,000 citizens. In the same period the network of communal facilities was extended according to the plan.

By the end of November, 16,478 kindergarten and 6,169 nursery places were created; 1,722 classrooms in general education schools and 107 gymnasiums were handed over; 1,914 places in retirement and nursing homes, 215 out-patient doctors' posts and 1,700 places in youth clubs were created.

We have further progressed in the field of building repairs in apartment houses. The plan was fulfilled with 102.2 percent in toto. There are backlogs in 46 kreise. The Politburo aims at dedicating close attention to preserving and effectively using housing stock. This includes the purposeful continuation of the roof repairs program. By the concentrated and economical use of the facilities of the kreis construction enterprises, of the construction departments in the building economy enterprises, of the communal housing administrations, and of the crafts, further important reserves can be opened up.

The Politburo has taken measures to further develop the unity of new buildings, reconstruction, modernization, and preservation. It is a matter of achieving the highest possible social results with the available funds. Therefore, it is necessary in all bezirke to thoroughly go through the present development concepts and to see to it that solid building quality goes along with the full observation of the input norm targets. Everywhere care must be taken that the means and funds planned for housing construction are fully used to solve housing as a social problem.

The increase in vacation entitlement for some 860,000 older working people has met with a great response and broad approval. As proposed by the 11th FDGB Congress, from the beginning of the coming year onward all working women on completion of the 55th year of their lives and all working men on completion of the 60th year of their lives get an additional 5 work-days of vacations.

This is a means of honoring in a special way the performance of those working people who have helped to shape the development of our social society with high commitment over decades. Everywhere this far-reaching sociopolitical measure is evaluated as new convincing proof of the close relationship between high economic performance and social achievements. This course which corresponds to the unity of economic and social policy of our party is at the same time an incentive for new great labor feats for the benefit of the people and for peace.

Comrades, together with the questions of the performance increase of the national economy, in the period under review the Politburo dealt regularly with the fulfillment of the tasks of supplying the population, which are laid down in the 1987 national economic plan. By the end of November the net monetary income of the population rose by 4.6 percent. By the end of November the population purchased M3.5 billion worth of goods more than in the equivalent period of the previous year.

For example, the turnover of shoes and leather articles increased by 6.3 percent, that of color television sets by 10.2 percent, that of bicycles by 11.7 percent, that of textile articles by 4.4 percent, that of household chemicals by 4.9 percent, that of furniture, cultural and sports articles by 4.1 percent, that of household and economic goods by 3.9 percent, that of meats and sausages by 2.6 percent, that of fat cheese and cottage cheese by 6.5 percent, that of fresh vegetables by 3.2 percent, and that of wine by 6.9 percent.

Here we do not fail to recognize that for some goods, despite their increased availability, demand has grown more rapidly. This applies to hard and sliced cheese, various kinds of long-life bakery goods, certain dietary articles, and products for good nutrition.

In spite of great efforts, there were at times limitations on the range of fruit and vegetables available on account of crop failures due to bad weather. This was also partly caused by considerable shortfalls in deliveries from our traditional supplier countries.

Steady supplies were also adversely affected by a number of contract and supply backlogs, especially with regard to clothing articles, such as children's trousers, ladies' dresses, and knitted underwear, and also with regard to furniture and upholstery, washing machines, leather goods, outdoor shoes, and small motorcycles. The sales of industrial goods remained, despite further increases, below the rate envisaged by the plan.

The government has taken measures for the strict observance of agreed supply contracts, to make up for backlogs, and has taken decisions on providing additional goods. Now it is important to speedily transload and deliver the goods received and to secure at the same time the necessary trade stock for the transition to the new plan year. Great achievements were accomplished to ensure the supply of holidays to 1.2 million children in more than 5,000 children's camps, to vacationers and tourists, and to fulfill comprehensive supply tasks at important major events this year.

The Politburo again instructs the kreis, city, and municipal councils to more comprehensively accept the responsibilities and possibilities and their own extended responsibility contained in the Law on Local Elected Assemblies, in the interest of good supply. This especially applies to the development of production of fresh goods in line with the consumers' demands, the cooperation relations between local producers of consumer goods and trading facilities, as well as the creation of appropriate shopping conditions. To this belongs also the further encouragement and support of initiatives for the development of private trading and craft enterprises.

The Central Committee Secretariat has passed a resolution on a directive for preparing and carrying out the elections of the leading organs of the consumer cooperatives, which will be held from January to May 1988. The aim is to use the great performance potential of the consumer cooperatives, cooperative production, trade, and services still better and according to the different local conditions, and to further develop it. The possibilities of the consumer cooperatives as socialist mass organizations have to be further promoted and supported. The supply tasks agreed upon have to be increasingly fulfilled better in the interest of the buyers and with high economic efficiency, above all by opening up further reserves.

The decisive condition for continuity and stability of supplies is and remains increasing performance in production, corresponding incomes for the working people, and such goods in the shops as citizens can well afford to buy for their money.

In this context, which has been universally justified by Comrade Erich Honecker in the deliberations with the kreis first secretaries in February 1987, the Politburo and the Central Committee Secretariat dedicated special attention to consumer goods production as an essential component of economic strategy.

It is a political task of first importance to reliably and continuously fulfill the plan day by day according to the contracts with regard to quantity, product range, quality, and value. The Politburo has instructed the ministers and directors general to see to it that in the weeks until the end of the year the tasks, which were established with the plan, and the pledges to overfulfill it, which were made with regard to specific products, are thoroughly fulfilled. At the same time the task was set to further increase the speed of consumer goods innovation. The newly developed products include reflex cameras, coffee machines, percussion drill machinery, color television sets, and tape recorders, the production of which increased to more than 125 percent in 1987, compared to the previous year.

The experiences show that visible progress in the development and production of new high-quality consumer goods is above all achieved when available scientific-technological facilities are used in a concentrated way and the manufacture is organized on the basis of modern technologies, with the production input being reduced. Here the new 861 E fully automatic washing machine from the VEB Washing Machines, Schwarzenberg, the production of which was started in the third quarter of 1987, is to be especially mentioned. It is equipped with microelectronic controls and combines high reliability with a material, energy, and water consumption that it 20 to 30 percent lower. This is the right way to increasingly meet the demands of the population and of export better by a consistent intensification. This year 35,000 units of these new automatic washing machines are produced. In 1988 production is to be increased to at least 100,000 units.

The Politburo has instructed all ministers to further improve the range of consumer goods and to reach numbers of units that cover the demand in all combines, on the basis of the achievements. The growing demand for high-quality consumer goods makes it necessary to decisively safeguard the unity of increasing production, labor productivity, and quality, as well as of declining costs and increasing profit, everywhere in the enterprises of consumer goods production and the producer goods combines. In the considerable annual increase of total commodities available to the population, the quantitatively high level of supply must be better matched to the continually rising demands made on service value, technological standards, attractiveness, and modern design. In some fields, above all higher numbers of the produced high-quality consumer goods are necessary.

For the comprehensive implementation of the tasks set at the 11th SED Congress, the Politburo accordingly adopted measures to improve management, planning, and economic accountability for cooperation between production and trade. They strengthen the economic interest in production and supply that meet the demand, as well as the timely adjustment to the growing wishes of the customers by the joint activities of production and trade. For this serves especially the economic shaping of the contractual relations between producers and trade.

The Central Committee expects of all responsible managers in production, trade, the state organs on a central and local level that they will creatively and productively implement the measures that will become effective with the beginning of the coming year.

Overfulfillment of the 1987 National Economic Plan With Regard to Specific Products and Securing a Good 1988 Plan Start [subhead]

Comrades: The Politburo has dealt with the 1988 national economic and state budget plan draft laws. Today they are presented to the Fifth Session of the Central Committee and are substantiated by Comrade Schuerer.

At today's session of the Central Committee, we insist that managers in state and economy, area and bezirk leaderships, and party organizations consistently conduct the struggle for the all-round implementation and overfulfillment with regard to specific products of the 1987 national economic plan, right up to the last day of the year. A high daily performance for a further increasing, distributable final product for supply to the population, for the development of the economy, and for export, is essential. In line with our socialist planned economy, production according to contracts in good quality, with low costs, and a high degree of refinement of materials is important. The responsible ministers and directors general are also instructed to rapidly increase the state plan targets, which are decisive for supply to the population and the development of the national economic performance, in quantity and value. All efforts have to finally culminate in increasing one's own contribution to a distributable national income as high as possible. All potentials and economic reserves have to be fully utilized. The 10 main points of the economic strategy decided by the 11th Party Congress, are a directive for this.

These fundamental tasks must be linked to a good all-round preparation of the initial stage of the 1988 plan. It has to be seen to it that the working people in the individual sectors of the enterprises get the itemized plan targets in time and that the performance targets are given in such a way that they are clear and accountable.

The Politburo has approved the proposals of the FDGB National Executive Committee for the management of socialist competition in 1988. Its goals are directly derived from our party's economic strategy. Thus socialist competition under the tested slogan of "High Performances for the Benefit of the People and for Peace—Everything for the Implementation of the Decisions of the 11th SED Congress!" is concentrated above all on developing the qualitative factors of economic growth.

General, computer-aided preparation of balance-sheets proves to be an efficient support for speedily taking the necessary operational and strategic decisions in preparing and implementing the plans already today.

Thus, according to the decisions of the 11th SED Congress, a prerequisite has been created so that in future all decisions on balance-sheets can be taken more quickly and promptly, with the conditions of national economic interlacing being taken into account. This makes it possible to adjust our economy even more effectively to changes in the population's demand and the material-technological safeguarding of production, and even more flexibly to the constantly changing conditions of the foreign markets.

At the beginning of 1988 the measures decided for the application of the principle of self-financing will come into effect. This will be a far-reaching step to raise the combines' own responsibility in the national economy on the firm basis of the plan.

The possibility of establishing funds on one's own responsibility for intensively expanded reproduction and of making decisions on one's own on their use is directly linked with the economic results of the combines in the form of their profit. This creates new conditions for economic calculations with expenditures and results in each combine, each sector, each department, up to each individual workplace. The goal is a steadily increasing, distributable national income.

The Politburo expects the responsible managers in the economy to use the new possibilities of more efficient management, which are created by self-financing, in a creative and imaginative way, in particular to utilize our country's considerable scientific-technological potential and power of accumulation even more efficiently.

Stipulations for High Economic Effectiveness of Science and Technology [subhead]

Comrades: Much space in the Politburo's work was given to the priority task of our economic strategy, that is, to linking the advantages of socialism even more effectively with the achievements of the scientific-technological revolution.

The combines of industry, the Academy of Sciences, and the university sector are successfully working to accelerate the development and application of the key technologies in line with the decisions of the 11th congress. Almost half of the GDR's research and development potential is concentrated—via the science and technology plans—on solving these important research strategic questions with utmost priority.

As a result, many important achievements of top international standards and great national economic importance have been accomplished. They create decisive conditions for securing the speedy, dynamic growth of production efficiency and quality through the renewal process, which is necessary for the implementation of the main task in its unity of economic and social policy.

The many outstanding achievements include the "highly productive basic technology for the production of metal film resistors." It was accomplished through the joint work of the "Carl von Ossietzky" Electronic Component Parts Combine, Teltow, with the "Manfred von Ardenne" Research Institute, Dresden, and the Freiberg Central Institute for Nonferrous Metals of the "Wilhelm Pieck" Mansfeld Combine, Eisleben. In the short period of 2 years they thus accomplished a top international achievement. It makes it possible to raise labor productivity by 600 percent and to save precious metals.

Of particular importance for the national economy also is the development and introduction into production of the "FMS 1000 Automation Project." This scientific-technological top achievement was worked out by the "Fritz Heckert" Machine Tool Combine together with the Karl-Marx-Stadt Technical University and other combines. The flexible manufacturing system enables the users to increase labor productivity by 300-600 percent. By reducing processing time by up to 90 percent it is possible to quickly react to market demands. Physically hard labor is eliminated.

Last but not least the exhibition "Science and Production of the GDR in the Service of the People" demonstrated the outstanding achievements. This exhibition impressively demonstrated that our combines, in close cooperation with the research facilities of the Academy of Sciences and the university sector, are keeping pace with the dynamism of the productive forces and have reached the top in important fields. The 1,300 top achievements in the key technologies that were presented set standards for directing the working people's creative ideas at the comprehensive application of science and technology with high economic results. One of the main issues was and is that these new products and technical methods have to be produced and applied to a great extent.

The Politburo can report to the Central Committee that by the end of November 1987 further important results were achieved in implementing the Science and Technology State Plan. A total of 2,441 tasks of the Science and Technology State Plan were fulfilled and 700 scientific-technological results were introduced into production. The results, thus reflected in the national economic performance increase in 1987, comprise products and technical methods with a production volume of M14.1 billion.

The Ninth Congress of the Chamber of Technology (KDT) gave the Central Committee the opportunity to again pay tribute to the honorary, social work of this important democratic organization of our country. With their creative work and exemplary initiatives the almost 290.000 scientists, engineers, economists, and innovators united in the KDT increasingly contribute to raising the economic effectiveness of science and technology more and more.

Tested forms of work are, in this connection, above all the conveyance of latest scientific and technical insights, the exchange of experiences, inventors' colleges, and sponsorships for youth research collectives. They should, however, be used even more broadly in order to consistently exploit the possibilities of the key technologies through internationally new ideas and solutions for the speedier increase of labor productivity, efficiency, and quality.

The Politburo welcomes the fact that the decisions of the congress direct the activities of the enterprise sections, scientific-technological societies, and technical bodies at the higher tasks and standards in implementing our economic strategy. In the future, too, it should be the KDT's top priority to actively support the scientists and

engineers—in particular young people and women—in developing their creativity and to help them in acquiring practice-oriented new insights and experiences.

During the period under review the Politburo set down stipulations for the further decisive increase of the economic effectiveness of science and technology in order to tap an essential reserve for the further stable development of the national economy's capacity and efficiency. In principle, it is necessary to purposefully use the great intellectual and material potentials in order to accomplish top achievements, to win the race with time, and to thus reach high economic and social results. This process still begins by setting up demanding economic performance targets for every research and development task. This applies to high rates for increasing labor productivity and the tapping of all reserves for the necessary reduction of production input and costs as well as for ensuring the planned profit from export revenues.

Another important reserve for the necessary greater economic effectiveness of science and technology is a speedier, demand-oriented production of new commodities. Firmly integrated into this is the fact that top achievements must lead to top quality. For this purpose, the Politburo confirmed proposals to intensify the economic stimulation of quality production which corresponds to high international standards. To reach high quality in the scientific-technological standard, service value, functionality, and design of the products will be even more remunerative for the combines and enterprises in the future. The following principle is being consistently implemented: The greater the benefit for the national economy, the more labor productivity is raised with new products, the more costs are reduced, and the higher export revenues are, the higher the additional profit will be for the combine and the enterprise.

Results of Safeguarding the Planned Performance Increase From Investments [subhead]

Comrades, the Politburo extensively dealt with investment activities in our national economy.

So far investments amounting to M41 billion have been carried out in the production sectors this year. This is 7.7 percent more than during the same period last year. Important facilities have become effective. They include the putting into service of one 500-megawatt block in the Jaenschwalde power plant, the production of printed circuits in the Nordhausen Telecommunications Works, the manufacture of silicon discs in the Dresden Microelectronics Research Center, facilities for the production of cutting machine tools in the Gera "Union" Machine Tool Factory, and the production of numerical controls in VEB "Karl Marx" Numerics, Karl-Marx-Stadt. At the same time, analyses affirmed that investments are a main reserve for economic growth.

The Politburo critically dealt with the backlogs that have been permitted in implementing investments in the sector of the construction ministries in the case of 751 industrial investment projects. This also refers to backlogs caused in the spheres of responsibility of industrial ministers with regard to equipment and installations for economically important investment projects.

Proceeding from the premise that three-fourths of the planned performance increase in industry are based on putting into operation investment projects, fundamental stipulations for implementing them according to plan were set down. Making the results of science and technology purposefully effective for economic growth requires safeguarding conditions for highly productive, speedy, on-time, and efficient investment activity everywhere and putting the projects into service with the planned performance and efficiency parameters. In this way the speed of the necessary increase of the distributable final product for the population, the national economy, and for export is secured and, if possible, exceeded.

This is a basic precondition for the implementation of the unity of economic and social policy and has to be ensured month after month under any circumstances. Fully in this spirit, the 11th SED Congress firmly integrated into the economic strategy that it is a concern of state political importance to exactly implement the investment projects decided in the plan in order to strengthen the GDR's material-technical foundation. High plan and state discipline is necessary. This is a basic requirement on the respective combines and enterprises, on the contractors, and on the work of the ministers and of every local state organ. It includes the high responsibility of those who produce and deliver machinery and installations to assemble the equipment at the required date and with the required quality. Gaining time also requires strengthening inhouse production of rationalization equipment—a path which has so far progressed well. Inhouse production of rationalization equipment is and remains the decisive main basis in creating material-technical preconditions for a speedy transferal of new products and methods into production.

The tasks ahead of us to increase the contribution of investment to the dynamic development of economic performance and efficiency make it necessary to strengthen the capacity of the industrial construction sector. For this purpose, the Politburo has decided on far-reaching measures. It is decisive to increase more quickly the capacity of the industrial construction sector through comprehensive application of scientific-technological top achievements and through a well-founded technological regime, in particular by raising labor productivity. This includes fulfilling with great discipline the planned achievements of the locally administered construction sectors for the balance sheet of the industrial construction sector.

It is also indispensable to concentrate the increased potential of the construction departments of the industrial combines on implementing rationalization measures that decisively contribute to increasing performance and to improving the working conditions in industrial enterprises.

Furthermore, it is necessary to make sure that the breaking up of the facilities of the industrial construction sector to a great number of simultaneous projects is countered effectively. A concentrated way of building in line with an economically and technically founded hierarchy and order is to create universally necessary preconditions for short construction periods and the multiple-shift utilization of technical equipment. Clear-cut targets, good organization of labor, and close cooperation of the construction and assembly workers with all other cooperation partners are becoming increasingly important.

The measures that have been decided on are putting heavy demands on the leading cadres in the construction sector and on the work of the party organizations in the respective combines. Our party's bezirk and kreis leaderships and the local state organs also are given responsible tasks. It is necessary to further deepen the work entrusted to the people on all construction sites and to develop even more the exemplary conduct of our party members. Great attention deserves to be given to the working and living conditions of the construction and assembly workers at the industrial construction sites, workers who are striving for high performance every work day. We stress the great appreciation for their very demanding work in this important stage of the struggle for the overall strengthening of our country.

The Politburo set down stipulations to secure the recruitment and training of skilled workers to strengthen the capacity of the economy. It is, above all, necessary to win over—in line with the plan—young people to professions in industry and the construction sector, to give them the knowledge and skill to master modern production, and to consolidate their love for their profession. The combines and enterprises, together with the local state organs, have great responsibility in this respect. To absolutely fulfill this responsibility is an important concern of party work.

Measures Taken for Reliable Supply of Energy and Coal to the Population and the Economy [subhead]

Comrades: The Politburo decided on the necessary measures to ensure a secure supply of energy and fuel to the economy and the population in the 1987-88 winter half year.

Utmost attention is to be paid everywhere to the economical use of energy so as to secure a reliable supply at any time. In implementing the program of economical use of energy, which was decided on by the Politburo, it is necessary in all sectors of the national economy to consistently continue the path of saving a considerable amount of energy. What has to be done and which yardsticks have to be applied in the economical use of energy is shown by the initiatives of the working people in the Carl Zeiss Jena Combine under the slogan "Full production with less energy." Proceeding from this initiative, many other combines, enterprises, and installations followed this example during the period under review. Now it is necessary to further develop the achievements and establish an even broader basis for these initiatives in the socialist competition.

The Politburo stresses: No one has the right to claim more energy than is laid down in the balance sheets.

In all enterprises and institutions it is necessary to secure a regime of exact work and a climate of high technological discipline with regard to energy producing facilities. The regulations destined to avoid dysfuncations, breakdowns, and fires are to be conscientiously applied everywhere. Clear, high-standard management and consistent fulfillment of personal responsibility for orderly technical operations are indispensable conditions in this respect.

The working people in the coal and energy sectors have contributed with outstanding achievements to securing energy and fuel supply for the forthcoming winter. It can be reported to the Central Committee that by the end of November 954,000 tonnes of sifted coal, 2,578 gigawatt hours of electrical energy, 454 million cubic meters of city gas, and 60.3 million cubic meters of GDR natural gas were produced in excess of the plan. The analysis of the plan fulfillment shows that in the remaining weeks of the year great efforts will still be necessary to fulfill the plan targets in moving excavated material. At the same time, it is necessary to make further efforts to guarantee full supply of solid fuels to the economy and all other sectors. Hand in hand with this, utmost attention is to be paid to supplying according to plan space for transportation and to its most efficient use under all circumstances.

Further concentrated work has to go into implementing in high quality and at the required dates the planned program for repairs and reconstruction in large power plants, open-pit mines, coal refining plants, industrial and heating power plants, and in the electricity, gas, and district heating networks. At the same time, work has to be purposefully continued on the construction sites of investment projects and in the enterprises of heavy machinery and installation construction, as well as at all cooperation partners in order to guarantee the decided growth in capacity in the coal and energy sector and to supply the required equipment. This mainly applies to the putting into service—planned for 1988—of new power plant facilities in the "Bruno Leuschner" nuclear power plant and in the Jaenschwalde brown coal power plant, as well as of large machinery in the open-pit mines of Reichwalde, Breitenfeld, Witznitz, and Profen-Sued.

New Stage of Scientific-Technological and Economic Cooperation With the USSR and the Other CEMA Countries [subhead]

Comrades: During the period under review extensive work was done to purposefully implement the agreements reached between Comrades Erich Honecker and Mikhail Gorbachev on the occasion of the Warsaw Pact summit in Berlin for the development of a new stage in scientific-technological and economic cooperation between the GDR and the USSR. An important contribution to solving these important tasks are the results of the deliberations of the GDR and USSR party and government delegations, which took place in Moscow in June under the chairmanship of Comrades Guenter Mittag and Willi Stoph and Comrades Nikolay Ryzhkov and Lev Zaykov.

At this meeting it was noted that there is a purposeful development of economic cooperation between the GDR and the USSR. Cooperation is becoming an increasingly effective factor in solving national economic tasks faced by the two countries and in raising the prosperity of the people.

Proceeding from this, joint ways to further improve and develop cooperation in such important areas as microelectronics, robot technology, electrical engineering, nuclear energy, biotechnology, and the production of new materials were outlined. It was agreed to instruct the planning organs of both countries to prepare the coordination of the 1991-95 national economic plans.

Today there are already more than 100 government and ministerial agreements aimed at the accelerated development and application of key technologies and at the introduction of scientific-technological top achievements into production. The Politburo issued instructions to achieve as soon as possible high results for the development of the national economy and thus for a considerable increase in national income. In this spirit, direct relations of our combines and enterprises with their partners in the USSR are gaining increasing importance. About 45 percent of the exports to the USSR envisaged by the national economic plan are carried out by these combines and enterprises in our country.

Another expression of the deepening of cooperation involving important national economic tasks is the recently signed government accord on GDR participation in the construction of the Krivoi Rog Mining and Processing Combine. The GDR will participate in the construction of this combine, which is important for the supply of iron ore to the CEMA countries, by delivering highly productive equipment. Up to 3,000 working people of our country will work directly on this large construction site.

The Politburo dealt with the results of the meeting of the economic secretaries of the central committees of the communist and workers parties of the CEMA countries, which took place in Sofia in September. It paid tribute to this conference as a valuable contribution to the exchange of experiences on the parties' leadership activities in perfecting management and planning in the economy and the further qualitative development of the economic and scientific-technological cooperation among the CEMA countries.

The Politburo assesses the decisions of the 43d extraordinary CEMA session, which took place in Moscow in October, as an important contribution to developing the capacity and efficiency of the national economy in line with the demands of comprehensive production intensification. These decisions are aimed at raising the tested cooperation within CEMA to a higher level. The documents of the CEMA session demonstrate that the CEMA states are together striving for the goal to link the advantages of socialism with the utilization of the results of the scientific-technological cooperation.

Proceeding from the decisions of the 11th SED Congress, the GDR—in close alliance with the USSR and the other socialist countries—will make an active contribution to fulfilling the tasks formulated by the 43d extraordinary CEMA session. Our party considers the economic and scientific-technological cooperation with the USSR and the other CEMA member states a firm foundation for the implementation of the SED economic strategy and as a guarantee for the consolidation of the unity and cohesion of the community of socialist states.

In connection with the implementation of the 1987 national economic plan and the preparation of the 1988 plan, the Politburo paid great attention to foreign trade tasks. Generally, an export surplus was achieved by the end of November. In particular in the evaluation of the successful Leipzig Fall Fair, the Politburo instructed the ministers and directors general of the combines and foreign trade enterprises to create all production and trade conditions for reliably fulfilling the export plans. These also include deliveries fully in line with all requirements, flexible reactions to the demands of the clients, and a high standard in consumer services and in the supply of spare parts.

As in all sectors of the economy, in solving foreign trade tasks, too, it is important to carry on the struggle for high achievements to the last day of the year and to organically link the 1987 plan fulfillment with a solid start of the 1988 plan.

Peasants' Pledges of the 13th GDR Peasants Congress Are Being Fulfilled [subhead]

Comrades: In agriculture, forestry, and the foodstuffs industry the period under review was characterized by the further evaluation and implementations of the decisions of the 13th Peasants Congress. As a result of this congress, the Politburo made decisions that are directed

at the steady continuation of our party's tested agricultural and alliance policy with regard to the targets set by the 11th Congress. Their implementation has yielded important experiences.

The promise given by the peasants at the 13th Peasants Congress of unanimous support for the party's good and tested policy and the pledge to strive for top yields and achievements was fulfilled with very weighty results for the national economy.

Outstanding achievements were accomplished in bringing in the grain harvest under conditions of continual rain, wet fields, and high atmospheric humidity. Thanks to the great readiness for work of the cooperative peasants and workers as well as their helpers in the fields and storage facilities and thanks to the high effectiveness of the organized help from the entire society, losses from deterioration, crop failure, and outgrowth of cereals were kept within limits. The fact that this made it possible to continue the stable grain production of the past 3 years with 11.5 million tonnes in 1987 is also eloquent proof of the increased strength of the LPG's and state farms and their product-related cooperation groups as well as of a new quality of their management on the basis of comprehensive intensification.

This guarantees the supply of fodder to the animal stock from the enterprises' own procurement until the new harvest, thus ensuring continued, stable supply of food to the population and of agricultural raw materials to industry.

Our party's general secretary, Comrade Erich Honecker, conveyed cordial thanks and respect to the cooperative peasants, workers of socialist agriculture, and all their industrious helpers. He assessed the results of the grain harvest as a worthy fulfillment of the peasants' pledge given at the 13th Peasants Congress. Comrade Erich Honecker's thanks encouraged the peasants and workers of agriculture in their efforts to achieve overall fulfillment and overfulfillment of the plans through great accomplishments in socialist competition.

The party leadership continually analyzed the harvesting and made decisions in time. Thanks to that it was possible to mobilize social forces to master the harvest.

Additional achievements were accomplished in many sectors of the national economy, in particular in agricultural machinery building, chemical industry, and the transportation sector. In the kreis harvest projects, the young people decisively influenced the atmosphere of the struggle to safeguard the harvest.

The guidance and management of the harvest by the party and state organs was aimed at strengthening the individual responsibility of the LPG's and state farms, providing effective help on site, and instigating appropriate, knowledgable decisions on the part of the boards of directors and the managements of cooperatives and enterprises. In the future, too, these principles will determine the political activities.

At the same time, in particular during the grain harvest it was demonstrated again that high effectiveness and serviceability of technical equipment has a decisive influence on the amount of yields. Therefore, fully in line with Comrade Erich Honecker's closing speech at the 13th Peasants Congress, great economic efforts will also be necessary in the future, in particular in industry, to supply modern, efficient, high-quality machinery, equipment, and chemicals to the agriculture.

The Politburo has dealt with information on the course and results of the grain harvest and issued the instruction to apply in full scope the most advanced experiences and scientific-technological progress in intensifying grain production.

Good results were also reached in root crop harvest and fall cultivation. The total yield of potatoes, corn, and fodder in the Republic is higher than last year. According to preliminary data of yield per hectare, top yields achieved to date were exceeded with regard to green and silage corn with a yield of 422.5 decitonnes and potatoes with a yield of 268.1 decitonnes. Yield per hectare of sugar beets is above the top result reached to date. The sugar plan will be overfulfilled because of good performance in processing in the sugar factories.

In vegetable and fruit production it was impossible to avoid negative effects of the weather on the yield, in particular with regard to heat-loving species, such as tomatoes and cucumbers, and to apples, pears, and plums. Higher procurement of vegetables for supply in winter has been ensured and stocks are sufficient.

Utmost attention has still to be paid to increasing processing facilities for vegetables and fruits in order to make peaks due to weather conditions and temporarily available high amounts of produce effective for supply. More activities are necessary to complete the planned processing lines. Cuts in the planned development in vegetable production must not be permitted so that the rising demand can be better met.

Last year's high results were also repeated in livestock production and were achieved with great efficiency and with a further increased proportion of fodder being produced by the individual enterprises themselves. Performance per animal has further increased. Fattening performance in cattle and pig stocks has increased the most. The number of piglets raised per sow has also increased.

Performance increase per animal with equal animal stock will remain necessary in the future, as decided by the 11th Congress. Particular attention has to be paid to the cows, their health, and reproduction performance.

Party control and knowledgable management are as necessary for this as an improvement of working conditions of the stockmen through rationalization and reconstruction.

An important contribution to the intensification of livestock production is also made by the veterinarians and veterinary workers, as was shown by the Central Conference of the GDR Veterinary Sector, which was held upon decision of the Politburo at the beginning of October. The initiatives of the members of the veterinary sector to develop performance in livestock production, to protect the animals against epizootic diseases, to produce high-quality foodstuffs, to protect the population against the transmission of diseases from animal to man, and to preserve the natural environment were highly praised. For years epizootic diseases such as bovine tuberculosis, brucellosis, or larvae of the warble fly, which impair the economical management of livestock production, have been eliminated in the GDR. Since 1982 there has been no incident of foot-and-mouth disease. Now it is a priority task of the veterinary sector to act as a mediator of scientific-technological progress in production and make the intensification factor of animal health even more effective for performance increase.

This year slaughter, processing, and cooling facilities have proved to be focal points for ensuring steady livestock production. Their reconstruction and expansion is to be carried out more purposefully. Planned investments are to be allotted in each bezirk and are to be secured. The delivery of cooling and other equipment in the decided scope and the utilization of reserves within regional rationalization are necessary.

In socialist competition the working people of the foodstuffs industry are accomplishing great achievements. Generally, stable supply to the population of a wide range of goods in attractive quality is ensured. Frequently the technological conditions still demand a high degree of physically hard work. Therefore, rationalization of all branches of the foodstuffs industry is gaining increasing importance. The bezirk and kreis leaderships should exert more influence on securing this rationalization. The goal continues to be the achievement of high stability and quality and a wide range of goods. Therefore, we are in favor of LPG's and state farms and their inter-enterprise construction organizations participating in this within the framework of the cooperation associations.

There are backlogs in investments in the central plan carriers [Plantraeger] of agriculture, forestry, and the foodstuffs industry. It is a requirement of proportionate development to give priority to securing these investments with construction and equipment facilities in the regions.

The production results confirm that the 13th Peasants Congress and its evaluation promote the willingness for performance and the efforts of the LPG's and state farms to belong to the best enterprises in the competition with the neighbor and in the comparative group. The cooperatives' and enterprises' own responsibility for organizing a steady performance increase on the basis of science and technology can be observed more. They are struggling with steadfastness and disciplined work to fulfill accepted pledges. The discussion on the 1988 plan was also aimed at stably continuing the performance increase of the last years, at putting comprehensive intensification on a lasting basis, and at improving the working and living conditions. The increase of yields and of performance per animal, the more efficient use of raw materials, and the reduction of costs are the main issues in this connection.

In the discussion on the 1988 plan new reserves were tapped in a creative and constructive way in the departments and brigades, still existing defects in the work were revealed in a critical manner, and conclusions were drawn for further work with regard to the application of the scientific-technological progress.

It is necessary to tap this large and valuable fund of experiences, proposals, and initiatives everywhere and to use it to implement the 1988 plan. The party leaderships have to fully support this and have to ensure party control over it.

Comrades: In agriculture we have made good progress in utilizing scientific results and the best experience. The focal point lies in all those measures aimed at better mastering and controlling biological growth factors in soil, plants, and animals that make a considerable contribution to better assets utilization. Tests in practical agricultural work itself, carried out even before studying scientific results with regard to a specific location or when these tests are still in the first experimental stage, are becoming increasingly common. The cooperation with scientists, that has developed for this purpose, the tasks set for scientifically trained cadres in the enterprise, and readiness to take risks decisively help to accelerate scientific-technological progress.

Key technologies are also being used to a greater extent. To date 2,600 computers are being used to control soil and stock management, to guide and control production in animal sheds, greenhouses, and storage facilities, and for other tasks.

There are still more opportunities opening up for accelerating the production growth and efficiency in agriculture with key technologies. Here it is necessary to strengthen the intellectual lead by improving professional qualifications and to campaign with party-minded steadfastness for new solutions and pioneering achievements everywhere.

Proceeding from the meeting of fraternal parties' leading representatives in Moscow in November 1986 and the conference of the Political Consultative Committee of

the Warsaw Pact states in Berlin in May 1987, cooperation between the CEMA countries has also been further developed in the areas of agriculture, forestry, and the foodstuffs industry. This particularly applies to scientific-technological work in the fields of biotechnology and microelectronics application, development of new strains and breeds, and direct cooperation between cooperatives and enterprises in order to transfer experiences of socialist management and the introduction of new technologies.

The further deepening of scientific-technological cooperation was also served by a joint conference of the presidiums of the USSR Lenin Agricultural Academy and the GDR Academy for Agricultural Sciences held in Rostock at the beginning of October.

Comrades: A further experience gained from the implementation of the decisions of the 13th Peasants Congress is that cooperative cooperation—both between the LPG's and state animal and crop-producing farms, with the enterprises of the sector where some advanced performance has been achieved, and within the cooperation associations—has freed further potential for dynamic performance development. Business management analysis of the unified reproduction process has been stepped up.

In many cooperation associations ways are being paved for the accelerated application of scientific-technological progress. The councils for agriculture and the foodstuffs industry in the kreise should tap further opportunities for increasing cooperative cooperation and should organize their work plan consistently on the basis of the skeleton work adopted for them at the 13th Peasants Congress.

In accordance with the decision of the 13th Peasants Congress, the Politburo has taken decisions for further improving management, planning, and economic cost accounting, as well as for stimulating performance in agriculture. In this, the party leadership proceeded from a stable economic situation in the LPG's and state farms and a continued positive effect of agricultural prices. The measures are aimed at further strengthening democratic centralism, in line with the implementation of high individual responsibility, and at developing even more economic cost accounting and self-financing. Stipulations to improve the planning process were laid down for this purpose.

The position of the cooperatives in the system of management and planning of the national economy is being consolidated and the principle of tapping the potentials of cooperative property on a long-term basis is being implemented. Economic cost accounting is directed at stimulating the introduction of scientific-technological progress and at using scientific achievements and facilities more effectively for economic growth. As of next year, the quality of products will be increasingly reflected on the purchasing price. Equal and increasing income in the LPG's and state farms will be possible, provided they deliver good and excellent quality.

In accordance with the proven principles of our agricultural policy, the economic measures will also promote expansion of cooperation between agricultural producer cooperatives and state farms specialized in plant and livestock production, as well as further development of the villages.

In the last 3 years the performance incentives of the agricultural producer cooperatives and horticultural producer cooperatives were of crucial importance for the stable performance growth in our agriculture. In this growth the cooperatives play a leading role as regards the number of employed persons, their assets, and production volume. The increase in means for remuneration and bonuses is determined by the growth of net and inhouse production, the level of performance and efficiency reached as compared with top performances, and the income level of the cooperative peasants already reached.

Further regulations aimed at perfecting these proven principles were agreed by the Politburo. They take into consideration a more economical use of the labor potential as well as the special features of economic relations between individual agricultural producer cooperatives and product-related cooperation groups. They provide the opportunity for establishing a better relationship between remuneration and performance.

On the basis of this decision, work in the party organizations of agricultural producer cooperatives and horticultural producer cooperatives is to be directed toward further improving cooperative remuneration and the bonus system by exerting political influence on the kreis and bezirk leaderships.

The Politburo evaluated the "Schools of Cooperative Work" and confirmed the 1987-88 topics plan. The rounds of talks with cooperative peasants formed an integral part of the great public discussion on the implementation of the 11th SED Congress resolutions and in the preparation of the 13th Peasants' Congress. They helped to make progress in efficient political qualification, which influences the thoughts and actions of cooperative peasants.

This should also be taken into account in the coming months, when qualification work will be given more attention, when the production process will be analyzed in the annual meetings and accountability reports, and when its future development will be laid down in high-yield and top-performance concepts.

On-the-job training and education, training aimed at mastering technology, the assumption of responsibility by every individual at his workplace, accompanied by corresponding performance-promoting accounting, and

the organizing of competitions should always form a unified whole. The elections and the preparations for the Seventh Congress of the GDR Agricultural Society also serve this aim.

Tangible progress has been achieved in linking agricultural production with village life. Cooperatives and state-owned farms are using their increased economic strength in manifold ways to shape the living conditions of all inhabitants in the villages. The local organizations of the Peasants Mutual Aids Association are making an active contribution to linking communal and cooperative interests. The activity of the political and communal work of the social forces in the villages has increased through the purposeful ideological work of our party's basic organizations. The regulations of the law for local people's representative bodies prove a good framework for this positive development. The support for the agricultural producer cooperatives and state farms—especially within the harvest campaigns—was made more efficient by the people's representative bodies on this basis.

With the party's support, the Union of Small Gardeners, Settlers, and Small Livestock Breeders is currently holding elections and preparing its eighth congress in April next year. In this mass organization, the intellectual and political growth of our people and their commitment to the economic strengthening of our Republic and to the pursuit of the most varied leisure interests can also be noticed. The exemplary behavior and work of our party's comrades as members of this mass organization which is mainly led by unpaid officials, plays a decisive role in this. Party leaderships at all levels should exert their influence in this sphere.

Great efforts were undertaken by workers in the forestry industry to supply the economy with timber and resin on a stable basis, to increase the efficiency of the forests, and to ensure their function in improving the soil.

Further measures to protect and revitalize forests were successfully implemented this year. In doing this the close cooperation between forestry enterprises and science, agricultural aviation, agricultural enterprises and institutions, and other branches of the national economy, and the regions has proven itself.

The Politburo has adopted comprehensive measures for 1988 which are aimed at reducing damage to forests, which at present is evident over about 37 percent of the total area of forests. These measures include the cultivation of efficient and sturdy forest vegetation, varied reforestation measures, the intensification of forestry maintenance, and comprehensive forest protection measures.

III. Further Strengthening of the Worker-Peasant State, Development of Intellectual and Cultural Life, the Party's Policy of Alliance [chapterhead]

The Further Strengthening of the Socialist State [subhead]

Comrades: The Politburo and Secretariat devoted great attention to the strengthening of the socialist state, the development of socialist democracy, and the clarifying of law.

The Politburo dealt with a report by the Council of Ministers on the results of the control discussions in the bezirke centering on comparing the performance of the kreise and on the application of the best experiences in the leadership activities of the local state organs. Consequences for the activities of the bezirk and kreis leaderships of our party as well as for the Council of Ministers were decided upon. Efforts aimed at fulfilling the 1987 national economic plan and at the thorough preparation for the year 1988 have been directed toward a more purposeful struggle for top performances and best experiences which are to be applied on a broad scale.

A decisive hallmark of good local government policy is to fully utilize all regional capacities for the implementation of our economic strategy.

With the help of regional rationalization, the socialist teamwork between the local state organs, combines, enterprises, cooperatives, and institutions is increasingly promoting local reserves. Thus the production of rationalization means rose to 119.6 percent in the first half of 1987, the utilization of material reserves increased to 114.7 percent. Communities of interest, such as the Jena community, science and production communities, such as the Haldensleben model, cooperation communities, and other forms of regionally organized cooperation contribute to the faster introduction of key technologies in the centrally and locally managed enterprises.

Joint efforts by kreise and towns as well as combines and enterprises are aimed at utilizing the social labor potential in a more efficient manner, at making more economical use of energy, and at organizing the transportation and shipping processes in a more exact fashion.

Regional rationalization is to be directed even more purposefully toward technological progress in kreis-administered construction, in the service sector, in enterprises of urban construction and building construction, so as to eliminate existing performance differences.

The control discussions of the bezirke demonstrated that vigorous impulses emanate from the resolutions of the 13th Peasants' Congress for the purposeful development of productive and beautiful villages. The State Council recommendations on the basis of the reports by the Ringleben and Faulenrost villages to use all the strength of the villages to achieve high and stable production results promote the unity of agricultural and local policy.

Comparison of performance and best experiences by local people's representative bodies in the solution of the housing question in towns and villages makes it clear that the greatest progress is made where there is success in the coordinated and integrated managing of housing construction, maintenance, modernization, the provision and organization of housing, and housing policy. A check by the worker-peasant inspection showed that it is important to inform the citizens on a timely and concrete basis about the tasks to be performed in the implementation of the socialist housing policy in the regions and to involve them in the fulfillment of these tasks. This also applies to the housing commission in urban residential areas and in enterprises. Apartment exchange centers in large and medium-sized towns should work even more efficiently.

Comparison of performance in the kreise has proved that the greatest progress is made where state functionaries cooperate closely with the people's representative bodies, where the working people are involved in lively discussions on the policy of the party and the state, and where they constructively participate in solving public matters. The people's confidence in the local state organs increases when the discussions of the people's representative bodies develop into platforms for an exchange of experiences on the best local solutions and when these are purposefully implemented.

Comrades: In the period under review the GDR State Council adopted decisions on a general amnesty on the occasion of the 38th anniversary of the founding of the GDR, and on abolishing the death penalty. At the same time the State Council proposed to the People's Chamber that it should adopt a change and supplement to the Law on the Constitution of Law Courts. It provides for the formation of a Grand Senate in the GDR's Supreme Court. It offers the possibility of lodging an appeal against the decisions adopted in the first instance by the senates of that court in criminal cases.

These decisions are an expression of the political stability of our worker-peasant state. The certainty of the law is an element of our socialist quality of life. At the same time the decisions adopted by the State Council point to the fact that crime prevention should continue to receive great attention.

As is evident from the public prosecutor's report on the execution of the general amnesty, it was duly carried out. Thus, those citizens who had violated the laws of the GDR were also given the opportunity of reintegration.

In August the Politburo received a report from the GDR public prosecutor and the Interior Ministry on the implementation of the law on the serving of a prison sentence. The serving of sentences is firmly integrated in overall social efforts to reduce criminality. In line with our Constitution, man is at the center of all efforts on the part of the socialist state. Our society respects man and his dignity, even if he has been sentenced to prison. The humanist essence of our policy is decisive for the serving of prison sentences. The law applicable here has been tried and tested. In close cooperation with the social forces, the members of the penal institutions are fulfilling their tasks in a responsible manner and allow themselves to be guided by the incontestable principles of lawfulness, justice, and equality before the law.

The enemies of socialism are undertaking great efforts to penetrate our society with antisocialist ideologies. In order to distract attention from the signs of growing brutality and violence and the reemergence of fascist attitudes and provocations in the FRG and Berlin (West), they are at pains to urge individuals and groups in the GDR to undertake hooligan-like actions against the socialist state, sometimes using Nazi slogans. In our state of workers and peasants, which embodies the legacy of the antifascist resistance, there is no place for such plans and activities. Rigorous action is taken against them, in accordance with the law.

In the period under review, the Politburo confirmed the legislation plan up to the year 1990. On this basis the further coordinated development of socialist law will take place according to schedule. It aims to further increase and steadily improve the clarity and efficiency of socialist law.

The Defense of Peace Requires High Political and Military Vigilance [subhead]

The level of our defense effort is determined by the level of the threat from NATO. This statement was made by Comrade Erich Honecker at the reception for the graduates of the military academies in the State Council building on 26 October. It was occasioned by the assessment of the military actions of the NATO states, including their maneuvers in the fall of this year. NATO tested its troops' attack capabilities, especially in the central European area, on the borders of the GDR and CSSR, and in the Baltic Sea. They practiced aspects of the direct preparation for and surprise initiation of a war, battles using conventional, chemical, and nuclear weapons, and making strikes deep into the hinterland of the Warsaw Pact states. Attack units consisting of more than 500,000 men in total were concentrated in West Europe, preponderantly in the FRG.

The National People's Army and the defense and security forces are able and ready to protect peace at the foremost line of the socialist community of states. In accordance with the defensive nature of the Warsaw Pact's military doctrine, the soldiers, border guards, and civilians are doing everything to ensure that the approximate military-strategic balance is preserved at all times as a decisive factor in the prevention of a war. Just as reliably, members of the organs of the Interior Ministry, the State Security Ministry, the GDR Civil Defense, and the customs administration, in accordance with the class assignment imposed by the 11th Party Congress, have ensured the security of our state and of public order.

In order to maintain the required defense capability at all times, comprehensive social efforts continue to be indispensable. This includes the material and personnel to safeguard national defense and the activities of all armed organs, as well as the socialist military training of the citizens and paramilitary training of young people in the Society for Sports and Technology.

Comrade Erich Honecker entrusted the graduates of the military academies with the task of penetrating deeply into the development processes of socialist society and into the qualitative changes within the military in the interest of maintaining the combat readiness of the armed forces, of decisively contributing to their shaping, increasing the efficiency of training, and serving as a model in their sphere of responsibility in shaping the service, working, and living conditions.

Comrade Erich Honecker stated that the profession of the officers in the Socialist Armed Forces and in the defense and security forces is vital for the safeguarding of peace and for our society. The Politburo expects our party leaderships to coordinate the extensive work of the state and social forces in recruiting and preparing young people for military professions even more purposefully, so that in this sphere the state plan for 1988 and the coming years will also be completely fulfilled.

The Politburo decided on measures to commemorate the 70th anniversary of the Soviet Army and Navy, which we will be celebrating in February 1988 along with our Soviet brothers-in-arms. Regarding mass-political work, this event will provide an opportunity to pay tribute to the historic achievements and the peace-keeping mission of the Soviet Armed Forces and to further strengthen the brotherhood-in-arms as part of our fraternal alliance with the Soviet Union.

The workers militia successfully completed the first phase of a 5-year training period. With the active support of the bezirk and kreis leaderships and basic organizations, as well as that of the comrades from the People's Police, the high level of combat strength and commitment was stabilized. Special mention is to be made of the almost all the fighters' participation in the training which takes place after service hours, usually on weekends. They are meeting their obligations in socialist competition in honor of the assignments assumed at the 11th Party Congress in an exemplary manner. At their workplace and in the training, the members of the workers militia are making a significant contribution to the comprehensive strengthening of the GDR.

Policy with Regard to Science and University Affairs [subhead]

Comrades: The close connection between science and production has been developed since the fourth SED Central Committee session. To date, 276 coordination agreements and 2,860 service agreements have been concluded between the universities and colleges and the institutions of the GDR Academy of Sciences on the one hand, and the combines in industry and the construction sector on the other. Research cooperation with enterprises of socialist agriculture was strengthened as well.

By far the major part of the scientific-technological potential has been concentrated on the development and application of key technologies.

As experience has shown, top results including again in time and high economic efficiency are obtained if research is conducted in special areas of the key technologies on the basis of long-term strategic considerations, and if efficient collectives from science and production cooperate in this.

In order to further increase the efficiency of scientists in the struggle to safeguard peace, a "Scientific Council for Peace Research" was set up at the GDR Academy of Sciences. In his speech on the occasion of the founding of the council, Comrade Hermann Axen paid tribute to the manifold initiatives and achievements of social scientists, natural scientists, and scientists in the field of technology, as well as of medical scientists in outlining and implementing our socialist peace policy. Now it is a question of further increasing their contribution to the research into basic issues concerning the safeguarding of peace, putting an end to the arms race, and bringing about disarmament, of improving coordination, and of strengthening interdisciplinary cooperation.

In 1987 nearly 50,000 students completed their studies at the universities and vocational training establishments. In assigning the graduates to all spheres of our society, the joint efforts of partners from practice and from training institutions in order to employ them in a highly efficient way were in the foreground. For the first time all the graduates of technical and economic, and the majority of those from scientific departments, have basic knowledge and skills in using computers. A growing number of graduates have received more advanced training in data processing techniques. These manifold skills are to be utilized as soon as possible by assigning corresponding tasks to the graduates. The experience gained in employing the first engineers, economists, technicians, and scientists trained under the new scheme are to be evaluated and utilized to further improve the training concept.

In 1987 more than 56,000 young people took up studies at a university. When admitting the students this year, it became clear that guidance and counseling, and preparations for studies at a university or vocational training center have become a matter for the entire society. The combines and enterprises, for example, meet their responsibility to provide stimuli for skilled young workers to take up studies, thus contributing to the qualitative development of their own labor potential.

The 10th central performance show of students and young scientists reflected the progress made in realizing the task of making independent scientific work one of the supporting pillars of training. It demonstrated that the research potential among students is gaining increased significance in the solution of challenging scientific-technological tasks and is increasingly involved in cooperation between scientific institutions and combines, enterprises and other partners in practice. The early involvement of students in scientific work is of great educational value and makes possible the purposeful promotion of talents. The varied program of the performance show and the FDJ student days at the universities, colleges, and vocational training centers demonstrated the great commitment of the students and young scientists in working out, applying, and propagandizing scientific results.

Pedagogues With New Initiatives for Training and Educational Work [subhead]

Comrades: On 25 August 1987 education aktiv meetings were held in all kreise. The first secretaries of the party's kreis leaderships discussed topical questions concerning domestic and foreign policy. They spoke about what has been successfully mastered and about tasks and problems that are still to be settled. The pedagogues pledged to step up their efforts to familiarize the school children to an even greater extent with the emergence and the growth of the GDR, with its development into a bulwark of peace at the heart of Europe. They consider it to be their special concern for further strengthen the affinity of the students to the Soviet Union and the other states of the socialist community.

The teachers and pedagogues are aware of the great challenges as regards the content-related development in the schools. The most important thing for the educational collectives is to develop a political and educational climate in which good work is recognized, problems are analyzed, and faults are addressed critically and quickly overcome. The teachers' and pedagogues' initiatives teachers to increase the quality of instruction and of the entire educational work are to be actively promoted in all spheres. In this respect the guidelines of the secretaries of the party organizations are to be further improved by the kreis leaderships.

The exchange of experiences on issues concerning political and moral education, and of ideological, professional, and pedagogical work is gaining increased significance. Special attention is devoted to trusting talks between comrades and nonparty pedagogues, as well as to the active involvement of all young teachers and pedagogues in the solving of challenging tasks.

On 1 September of this year the new school year began for more than 2 million children. School reception celebrations for 233,100 new pupils—this is the biggest figure for years—were a social high point in which more than 2 million parents and guests participated. They reflected the families' care and that of our whole society for the welfare of the children, the parents' and teachers' recognition that children can grow up safely in our republic, and that every educational opportunity is open to them.

The elections of the parents' representative bodies at the secondary schools and nurseries were recently concluded. According to the rules of the voting system, they were carefully prepared and carried out by voting commissions. They comprised school representatives, parents, representatives from the National Front, the Democratic Women's League, the FDJ, and from trade union leaderships of the enterprises.

At meetings of parents and delegate conferences, the parents aktivs and parents councils publicly gave an account of the work they had done, of their concrete participation in improving the conditions for a high level of training and education in the schools, and of their efforts to meet the joint responsibility of the schools and of every family for the education of the children. More than 650,000 parents and representatives of the democratic public, representing all strata of the population, were elected as members of the parents' representative bodies.

Intellectual and Cultural Life Were Enriched [subhead]

Comrades: Through their great achievements the artistic and cultural workers have contributed to enriching the intellectual and cultural life of the working people and to further increasing the international reputation of our socialist state.

In the period under review, the development of our socialist art and culture was marked by two historic events: the 70th anniversary of the Great October Socialist Revolution and the 750th anniversary of Berlin. With an unprecedented abundance of events and exhibitions, guest performances, and new works of art, high standards were set and lasting values established, which will also determine the future development of cultural life in our country.

On the occasion of the 70th anniversary of the Great October Socialist Revolution cultural events were held in many towns and villages, which convincingly showed the deep affinity for the party and the land of Lenin. The 16th Festival of the Soviet Film and the Days of the Soviet Book in the GDR were important contributions to the celebrations marking this significant anniversary.

In the presence of Comrade Erich Honecker and other members of the party and state leadership, the 10th GDR Dresden Art Exhibition was opened on 3 October 1987. In the course of this event cordial meetings with artists and estheticians took place.

The 10th GDR Art Exhibition has testified to the great commitment of the members of the GDR Association of fine Artists to socialism, peace, and social progress. Once again it makes clear the extent to which artistic discoveries are indispensible for socialist thinking and action, for the shaping of aesthetic values, and for the promotion of a feeling of well-being in our socialist society. The dialogue between artists and their audience, which took place at this exhibition, will be continued with the public and within the association, and actively promoted through the mass media. From this, new stimuli will emanate for socialist-realistic works of art, and for the further development of fine and applied arts in our country.

In the presence of Comrade Erich Honecker and other members of the party and state leadership, the 10th GDR Writers' Congress was opened. During the 3-day discussions at the plenary session and in four working groups, which were marked by an open, controversial, and creative atmosphere, fundamental questions of our time were addressed. The writers of our country drew up a constructive and critical balance sheet of their literary and cultural-political work. With great commitment they confirmed the great responsibility of literature for peace and socialism, and for the cultivation of people's thoughts and feelings in our society. The international recognition of our literature was shown by the participation of writers delegations from 26 countries on all continents.

The international plenary meeting of the GDR Academy of Arts, in which corresponding members and representatives of academies from over 20 countries took part, was a stimulating exchange of views on the subject "Arts and Artists in our Time," which contributed to mutual understanding on the tasks of art in the struggles for peace and progress. The participants gave a cordial welcome to Comrade Erich Honecker and other members of the party and state leadership on the occasion of celebrations marking the handing over of the renovated main building of the Academy of Arts, at which renowned academy members gave an insight into their artistic work.

The 10th National Documentary Film Festival in Neubrandenburg and the 15th Days of the Socialist Film in Halle Bezirk became important platforms for a stimulating dialogue between film and television workers and collectives from combines and enterprises.

In his greetings address, the general secretary of the SED Central Committee paid tribute to 30 years of outstanding work by the International Leipzig Documentary Film Week in the Service of Peace and Understanding Among Peoples, which this year, too, proved to be an internationally recognized open platform for "Films of the World—for Peace in the World."

The public performances of young artists and their successful showing in international competitions was proof of the efficiency of arts colleges and vocational schools. The Dresden FDJ "Festival of Young Talents and Young Artists" was an impressive demonstration of the work of our young artists. In discussions with the public and in workshops they received valuable stimuli for their further work.

Between 11 and 12 September 1987 the Fourth GDR Conference of Club and Cultural Center Managers was held in Cottbus. From this event valuable impulses will emanate for the leisure time of the working people. In the future, the most important task of the cultural centers will be to meet the new social demands that emerge in connection with the scientific-technological revolution, and to fulfill the various needs of the citizens to an even larger degree.

At the "Festival of Peace and Friendship" in our capital the GDR's cultural workers gave an account of their numerous appearances in the first phase of the lay arts program. They gave impressive performances at public festivals marking our capital's anniversary, and participated in the great historical parade. The artists have lastingly enriched the intellectual and cultural life in towns and villages through increased artistic power and great social activity. On this solid foundation, all art collectives, supported by enterprises and social partners, should discuss new ideas and possibilities with which they want to continue the lay arts program on the occasion of the 40th anniversary of the founding of the GDR.

750 Years of Berlin—Exhibition of Socialism on German Soil [subhead]

Comrades: The Politburo accepted a report on the events that commemorated the 750th anniversary of Berlin. It developed into an impressive festival of peace, international understanding, and the joy of life—an exhibition of socialism on German soil. At the state ceremony of the GDR marking Berlin's 750th anniversary, Comrade Erich Honecker stressed that the past and the present have determined the role that Berlin assumes today and develops as an internationally respected symbol of our socialist fatherland, through the work of the entire republic.

The Politburo assessed that the celebrations marking the anniversary have contributed to further increasing the international reputation of our capital and to strengthening the mutual affinity between all bezirke of the republic and the capital. This year activities for disarmament and detente, and for a policy of constructive dialogue, which were valued worldwide, once again emerged from Berlin.

In an impressive and powerful way, Berlin represented itself in its anniversary year as a political, economic, scientific, and intellectual and cultural center of the

worker-peasant power. The "Building Exhibition of the GDR" with 520,000 visitors and the exhibition "Science and Production of the GDR in the Service of the People" with more than 300,000 visitors impressively demonstrated that our combines and enterprises, in close cooperation with the research institutes, are keeping pace with the dynamics of the productive forces and have advanced to leading positions in important spheres.

The anniversary program encompassed over 2,200 events, with over 700 national cultural events, over 350 exhibitions, over 200 congresses, conferences and meetings, as well as international guest performances by 467 artistic ensembles, conductors, and soloists from 44 countries. The national and international guest appearances and the theater, ballet, and concert events had 3.5 million visitors. The 550 events of the 31st Berlin Theater and Music Festival alone attracted over 360,000 visitors.

The imaginative, informative, and original public festivals held on weekends during the anniversary summer in the city center, the town's bezirke, and recreational areas aroused great interest among Berliners and visitors from home and abroad. A mass-political highlight was the "Historical Festive Parade" from the Brandenburg Gate to Strausberg Square, observed by over 700,000 visitors.

With their best contributions, our country's cultural workers demonstrated the high level of art and culture in the GDR, which is characterized by the values and ideals of socialism. At the same time the capital of our socialist fatherland proved it is a capital of humanist culture. Our work aimed at the continuous cultivation and dissemination of the humanist and socialist cultural heritage also received effective stimuli from the Berlin anniversary. The museums presented a wide range of interesting and stimulating exhibitions which aroused great interest among visitors from at home and abroad. The exhibition organized by the state museums on the topic "Art in Berlin 1648-1987," which gave a unique survey of Berlin's development as a European center of art over 4 centuries, was of extraordinary significance.

The renovation and reconstruction of the Nikolai district and of such important monuments as the Nikolai Church, the Ephraim Palace, the Friedrichswerder Church, the Bode Museum, the French Cathedral and its use as an exhibition site met with great national and international recognition.

The entire republic contributed to the anniversary of our socialist capital. In the preparation for and execution of the celebrations, the broadest cooperation between parties and mass organizations united in the National Front, all of which devote their efforts to the successful flourishing of the GDR and its peace policy, has proven to be successful. The GDR Committee for the 750th Anniversary of Berlin carried out its work in this spirit.

Health Care for Citizens To Be Further Improved [subhead]

Comrades: In the period under review, the Politburo once again commented on the protection of health and medical care for citizens, and on the results and problems of medical research.

The Politburo accepted a report on the situation of and campaign against AIDS. In the GDR so far, quite isolated cases of this new, infectious disease have occurred. The number of people infected is also small. Since 1986 a series of measures has come into effect which exclude the possibility of transfering the AIDS virus through stored blood or transplants. Scientific work directed toward the development of vaccines and medication against AIDS started early. However, it is becoming increasingly clear that this disease cannot be defeated by medical activities alone, all the more so as it is internationally assumed that an effective vaccine and preparations for curing AIDS are not yet available.

For this reason the prevention of infection through corresponding behavior by the citizens is moving to the center of our strategy for combating AIDS. To this end, targeted instruction must be increased. A permanent AIDS work group has been established in the Council of Ministers to coordinate all state measures. All this will contribute to countering the spread of AIDS efficiently.

In October the Politburo discussed the results and problems of medical research. The decision taken on this occasion is directed toward further increasing the effectiveness of medical research and toward using all the preconditions for and possibilities of bringing medical research in the GDR on a broader basis up to the international level, and of codetermining [mitbestimmen] that level in important areas to a greater extent than to date.

In the past few years the utilization of our own research results has essentially contributed to increasing the quality and efficiency of medical care for the citizens in our country. We attach great significance to the early involvement of effective partners from industry, so that the findings can quickly be applied in production and practical medical care. In order to allow for an increased level of medical research and to achieve a scientific lead in the development of medical equipment and pharmaceuticals, the potentials of biomedical basic research are to be strengthened and the preconditions for interdisciplinary cooperation with clinical research facilities in medical science centers, such as institutions at medical universities, are to be improved.

On the basis of the existing concentration of corresponding institutes and hospitals in Berlin-Buch, medical facilities at the Academy of Sciences, of the Ministry of Health, and of the municipality in Berlin are to be developed step-by-step into another medical science center in the GDR.

In November 1987 the Politburo discussed the situation of care for the citizens by family doctors and the required consequences. It was noted that the systematic development of out-patient medical treatment and an increase in its quality and efficiency is one of the important concerns of our social policy.

In spite of the considerable improvement in the extent of medical care and the creation of a large number of out-patient workplaces for physicians, citizens are still facing considerable difficulties and strains—particularly in large towns and conurbation areas—when they make use of medical services.

In most of the GDR's regional kreise the general medicine specialists ensure qualified care for the patients during office hours and at the patients' homes. On the basis of long-standing and continuous care for the patients by family doctors, and because physicians feel responsible for the health and social problems of the citizens, a close and trusting relationship between physicians and patients has developed. Great work is also being done by the communal nurses.

Now that the number of general practitioners has rapidly increased in the cities and industrial complexes, it is necessary to arrange the required number of specialists in general medicine everywhere and to counter fluctuations in numbers, thus ensuring the essential stability with regard to personnel for work in general practice. Normally the family doctor should be the first person for citizens to turn to in the case of health problems. Therefore, the out-patient medical service is to be developed so that citizens can choose their family doctor everywhere, without problems, and that a high level of medical care is ensured.

The further implementation of the 11th SED Congress resolutions aimed at safeguarding a high level of out-patient medical treatment makes it necessary to devote the required attention to the developing in the sphere of general medicine as the most important area for family doctors.

Youth is Purposefully Implementing the "11th SED Congress FDJ Assignment" [subhead]

Comrades: The elections of the FDJ and "Ernst Thaelmann" Pioneer Organization which were recently concluded were an active report [rechenschaftslegung] on the successful implementation of the "11th SED Congress FDJ Assignment." The deeds for the comprehensive strengthening of the GDR and for the preservation of peace speak for the close alliance of the FDJ members with our socialist fatherland. The complexity of the international situation and the domestic policy tasks call for an even closer political dialogue between Communists, leaders, pedagogues, superiors, and the young generation. It is particularly the FDJ study year, 90 percent of whose propagandists come from the ranks of our party, that offers a good opportunity for discussing complex political issues in an open and trusting manner, while always pointing out the class nature of all phenomena. In our times the ideopolitical work of the FDJ is gaining increased significance.

The Politburo has accepted a report on the results of the 30th Central Fair of the Masters of Tomorrow and of the 10th Central Exhibition of Students and Young Scientists. It has confirmed conclusions for the promotion of scientific and technological creative work by young people. The 4,637 exhibits displayed at the fair in Leipzig and the Central Exhibition reflected the high level and the increased scope of the Fair of the Masters of Tomorrow movement. In every enterprise, every cooperative, and every institution preconditions are to be created which allow the involvement of more young people throughout the year in the solving of challenging tasks linked with the Fair of the Masters of Tomorrow.

The party organization should exert more influence on the general managers and works managers so that they entrust the collectives of the Fair of the Masters of Tomorrow and the youth research collectives to an even larger extent with challenging tasks in the sphere of science and technology.

The Secretariat approved the concept of the FDJ Central Council for a meeting of youth brigades which will take place in Zeitz in April 1988 to mark the 40th anniversary of the First Young Activists' Congress. In making preparations for this exchange of experiences it is important to give further impetus to the young brigades movement. The young skilled workers' wish to work in youth brigades is to be complied with to a larger extent.

The Secretariat accepted a report by the FDJ Central Council, by the recreation and work camps, as well as by the FDJ pupils brigades. It paid tribute to the increased involvement of students in industrial projects this year. This made it possible to increase the economic efficiency of the brigades' work. At the same time the participants gained a more profound insight into modern production technologies. The FDJ's target for 1988 is to recruit 60,000 FDJ students and 330,000 school children for work in the summer.

Important conclusions for the communist education of the youth can be drawn from the FDJ aktiv meeting held in Dresden in June together with friendship pioneer leaders, and from the FDJ aktiv of secondary schools. The Central Committee Secretariat instructed the party organizations to support the preparations for the Eighth Pioneer Meeting in Karl-Marx-Stadt in the summer of 1988 in all pioneer friendship groups and FDJ basic organizations of secondary schools.

The children's and youth exchange between the GDR and the PPR ran successfully. In the past 5 years over 1.4 million boys and girls from the two countries have taken part. In this way a good basis has been created for strengthening the friendship among our peoples and for

even closer cooperation between the GDR and the PPR for the well-being of their citizens. The friendly relations between the FDJ and fraternal associations were highlighted by the days of friendship between the youth of the GDR and the CSSR in Kradec Kralove in June, as well as by the friendship meeting between the youth of the GDR and the DPRK in September in Pyongyang and Rostock. By setting up a National Preparation Committee, good preconditions have been created for our youth associations to prepare themselves successfully for the 13th Youth and Students Work Festival in the DPRK capital in the summer of 1989.

Leipzig Sports Festival—a Social Highlight [subhead]

Comrades: The Eighth Gymnastics and Sports Festival, and the 11th Children's and Youth Spartakiad of the GDR from 27 July to 2 August 1987 in Leipzig marked a social, sporting, and cultural climax in the life of our country. The events demonstrated the resourcefulness with which the 11th SED Congress resolutions are being implemented in the sphere of physical culture and sports.

Comrade Erich Honecker's statement in his opening speech at the Leipzig Sports Festival that the GDR will continue to do everything in its power to support the Olympic idea which unites nations and to promote the olympic ideals met with a great response among the international sports figures from 58 countries who were staying in Leipzig, including Juan Antonio Samaranch, president of the International Olympic Committee.

The "Sports Festival and Spartakiad Relay" of the German Gynmastics and Sports Federation provided another important stimulus for mass sports. For millions of citizens in all age groups the possibilities for active participation in sport have increased tangibly. A total of over 4 million people interested in sports participated in sports competitions leading up to the Leipzig Festival. The network of sports communities, sections, and groups has become closer. In this way the basis and the social impact of the GDR Gymnastics and Sports Federation increased in many enterprises and cooperatives, in residential areas and cultural institutions.

The experiences gained in preparing for and holding the Leipzig Sports Festival offer diverse ideas for providing in an even more stimulating manner opportunities for sports, games, and hiking in every area, in line with the different inclinations of the citizens. Our party leaderships will continue to actively support this development.

The competitions between over 10,000 girls and boys at the 11th Children's and Youth Spartakiad turned into a display of the talents of young athletes in the GDR. This was also demonstrated by the 72 best performances in the Spartakiad and the GDR age-group records, as well as by the overall increase in the level of performance in all types of sport.

With their total of 62 gold, 59 silver, and 51 bronze medals, our top sportsmen and women once again achieved an outstanding result at the world and European championships in summer sports in the period covered by this report. This is the manifestation of wise and systematic preparation and the result of outstanding performances of individual collectives. With these results, our Republic succeeded in maintaining its place among the leading nations in world sports. This is all the more significant in view of the rapid performance development in international sports competitions. The results that were obtained form a good foundation for the preparation for the Winter and Summer Olympics in 1988.

Imaginative Work of Women [subhead]

Dear comrades: Following the successful course of the 12th Democratic Women's League Congress, imaginative work by the women's organization is unfolding in the residential areas of the towns and villages.

The great appreciation expressed by the party stimulated the women to work with drive and vigor for the implementation of the congress resolutions. Particular appreciation is to be expressed for the increased efforts by the leading officials to further broaden political mass work and to direct them to an even larger extent toward the manifold concerns and needs of working women and their families. The friendly meetings with a large number of women from various professions as well as from Christian circles which were held in all circles on the occasion of the 38th anniversary of our Republic testified to this.

At the Women's World Congress as well as the Eighth Congress of the Women's International Democratic Federation, held in Moscow this June, great attention was devoted to the high level of the social development of women in our Republic as well as their participation in shaping the developed socialist society. Our delegation used its participation to report on the good conditions in the GDR, how women in our country combine professional activity and motherhood.

They spoke about our country's peace policy and about the strong solidarity and sympathy of our women for all peoples struggling for peace, national independence, social progress, and equal rights. The delegation involved in "Women and Socialism," which was organized for the first time at such a congress, made an active contribution.

Tested Policy of Alliance of Our Party [subhead]

Comrades: At Erich Honecker's meeting with the chairmen of the friendly parties and the president of the National Council on 16 November 1987 joint actions aimed at further implementing the 11th SED Congress resolutions and at realizing the policy for the well-being of the people and for safeguarding peace, which is

supported by all parties and mass organizations united in the Democratic Bloc and National Front were discussed. There was agreement that the comprehensive strengthening of the GDR and the broad unfolding of socialist democracy through the involvement of all citizens is and will continue to be the fundamental guideline for our alliance partners under the leadership of the party of the workers class for the further shaping of the developed socialist society.

The Democratic Peasants' Party of Germany, the Christian Democratic Union of Germany, the Liberal Democratic Party of Germany, and the National Democratic Party of Germany have, as a result of their party congresses held this year, given rise to many new, valuable initiatives to the benefit of the GDR and its citizens. The manifold contributions of the alliance partners to the continuation of the unity of economic and social policy, the commitment to the application of key technologies in industry and agriculture, and above all further improvement in the repair, service, and supply sectors through cooperative and private trades testify to this.

As before, the work of our alliance partners in all areas of social life receives the attention and full support of all bezirk and kreis leaderships. As was unanimously stressed at the party conferences of our fellow fighters, the trusting cooperation within the Democratic Bloc and National Front will be guided by the principle that in our country every citizen, irrespective of his social background, his ideology, and religion, has the opportunity to participate in working, planning and governing.

The committees and work groups of the GDR National Front have carried out efficient mass-political work. In platforms for village inhabitants and house assemblies, in talks with craftsmen and tradesmen, private businessmen, and innkeepers, as well as in meetings with church officials, foreign and domestic policy issues were discussed in a comprehensive manner.

The achievements in the "Beautify Our Towns and Villages—Join In" initiative deserve great attention. From the beginning of the year through 31 October alone, work worth M10.2 billion was carried out in maintaining living space. During the same period 160,200 apartments of senior citizens were renovated, 164,000 rooms in social and recreational institutions were modernized, and 24,500 playgrounds were maintained through neighborly cooperation.

These initiatives demonstrate the great value that arise for the general good from close collaboration between the committees of the National Front, local people's representative bodies, enterprises, and cooperatives.

Now it is important to apply the experiences of the best committees throughout towns and the country even more purposefully on a broad scale. Our party continues to see an important task in purposefully promoting the ideopolitical work in the National Front in close cooperation with the "Beautify Our Towns and Villages—Join In" initiative.

IV Grown Political Maturity, Coherent and Uniform Actions of our Militant Alliance of Like-Minded Comrades [chapterhead]

Dear comrades: In implementing the domestic and foreign policy objectives decided by the 11th SED Congress, the Politburo and Secretariat of the SED Central Committee have worked determinedly for an unceasing increase in the leading role of the party and taken decisions of principle aimed at the improvement of the work of the SED bezirk and kreis leaderships.

In order to evaluate the fourth SED Central Committee session, bezirk and kreis leadership meetings as well as meetings of members in the basic organizations were held, during which a profound assessment of the implementation of the resolutions of the 11th Party Congress and of the assignments from the speech by Comrade Erich Honecker to the first secretaries of the kreis leadership was carried out.

The talks impressively demonstrated the firm ideological unity and organizational cohesion of our militant alliance of like-minded comrades, the advanced political maturity and the unshakable militant determination of the communists to implement the SED policy aimed at the strengthening of socialism, the safeguarding of peace, and the well-being of the people, with great personal commitment under all conditions.

The meetings of the bezirk and kreis leaderships as well as the meetings of the members reflected the trusting relations between the party and the people which has become even closer through the consistent peace policy of the SED and the persistent fulfillment of the main task. Challenging and concrete tasks aimed at further increasing the level of ideopolitical work, at enhancing the militant strength of the party, and at an even better realization of their leadership role were decided upon. The meetings were marked by the development of a militant atmosphere in the struggle for the consistent implementation of unity of economic and social policy.

In a responsible manner the bezirk and kreis leaderships, as well as the basic organizations made the required decisions to increase their contribution in implementing the party's economic strategy, in fulfilling the national economic plan, and in realizing the pledges undertaken.

At the decision of the Secretariat and Politburo, aktiv party meetings were held in the bezirk party organizations, the Wismut area party organization, and the kreis party organizations in September 1987 at the beginning of the 1987-88 party training year, in which 140,000 comrades took part.

They held detailed discussions about the further tasks of the SED in leading the ideopolitical mass work for the comprehensive strengthening of the GDR and in safeguarding peace. It was stressed that in leading the party one of the most important tasks is to improve the training of the communists so that they are ready to make the working people aware of the political, economic, and social targets of the policy of the 11th Party Congress and to translate these findings into higher social initiatives and economic results.

This is reflected in the "My Workplace—My Combat Station for Peace" drive, which is increasingly turning into a mass movement of the working people.

In seminars, training courses, and series of lectures focusing on various topics, more than 1.9 million communists and nonparty members dealt with basic domestic and foreign policy issues of the party, while at the same time studying the works of Marx, Engels, and Lenin, our party program, the Central Committee report to the 11th Party Congress, and the Central Committee resolutions.

Comrades: In general, the party work during the period under review was marked by the following:

—The resolutions of the 11th SED Congress are the basic and binding tasks of the party and the people, and are being successfully implemented in all spheres of social life.

Comrade Erich Honecker's speech to the first secretaries of the kreis leaderships has provided a clear action program for the creative and responsible implementation of the party congress resolutions by the party organizations. It has helped the leading party organs determine high targets, find suitable ways for fulfilling the tasks, and apply efficient working methods.

—Close alliance with the working people, greater political persuasive power, and increased acting ability of the bezirk and kreis leaderships, as well as of the majority of the basic organizations has shown that the call to launch an offensive of ideas of peace and socialism is being realized increasingly successfully.

—The working style of the party which is close to the masses has been further improved. The efforts of the party organizations to enable the state and economic management organs in an even better way to discuss all the important tasks with the working people, testify to this. The intensive application of their knowledge and experiences and their active involvement in solving the problems determine the working methods of most of the functionaries and leaders.

—The ability of many party leaderships to profoundly analyze the concrete situation in their spheres of responsibility and to determine the development in decisive areas for a long time in advance has increased. The leaderships are serving with more resolve as models in spreading the application of best values and make performance comparison successful by setting concrete tasks and applying persistence.

—The most important source for an increase in the party collectives' strength is the broad unfolding of intra-party democracy. In this, the scope, quality, and efficiency of voluntary work has been increased. Trusting personal discussions, party assignments focusing on specific tasks, concrete assignments, as well as the application of the principle of accountability and control have essentially contributed to enlarging the circle of active comrades in fulfilling the party resolutions.

In the past few months of intensive work, it has again been demonstrated that party-minded, wise, and experienced cadres play a decisive role in the successful implementation of the party resolutions.

In implementing the resolutions of the Politburo decision of 30 September 1986 on "Experiences in the selecting, developing, and enabling the cadres to implement the 11th SED Congress resolutions" the bezirk and kreis leadership integrate work with the cadres more closely into the entire complex of leadership measures, thus reaching a higher quality and greater continuity in cadre development.

For the bezirk and kreis leaderships the long-term cadre programs serve as a good conceptual basis for the training and education of cadres, who fully meet the steadily increasing tasks in the implementation of the 11th SED Congress resolutions.

Fully in this spirit, we continue the Marxist-Leninist training and education work at the party colleges of the bezirk and kreis leaderships, in the training courses of which more than 70,000 comrades, mainly cadres of the basic organizations as well as young cadres [Nachwuchskader], are being trained this year.

Comrades: In the period under review the Politburo and Secretariat of the Central Committee accept accountability reports from party leaderships on basic issues in the implementation of the 11th SED Congress resolutions and of the tasks outlined by Comrade Erich Honecker in his speech to the first secretaries of the SED kreis leaderships.

The report of the Magdeburg SED Bezirk leadership to the Politburo on "Experiences of leadership activities in implementing the 11th SED Congress resolutions in realizing the housing program" demonstrated in an impressive manner, how successful work is carried out in fulfilling the tasks of solving the housing problem as a social issue by the year 1990 in our country.

The Politburo appreciates the purposeful work of the Magdeburg Bezirk party organization as its important contribution to the party's policy, which is aimed at the

strengthening of socialism, the safeguarding of peace, and the welfare of the people. In particular through its long-term, qualified, and conceptual work, the thorough political and scientific-technological preparation of the construction projects, and the unified work of the party organs, the state leaderships, and the economic managements, high, dynamic performance growth was achieved in complex housing construction.

In this spirit the Politburo has charged all bezirk leaderships with evaluating the fulfillment of the housing construction program in their bezirke and with drawing the necessary conclusions to ensure the outlined tasks.

Particular attention has to be paid to the comprehensive tapping of their own intellectual and material possibilities. Socialist competition is to be consistently directed at qualitative factors, such as productivity, efficiency, and quality of construction.

Close cooperation of building combines and enterprises with scientific institutions is to be concentrated even more on specific tasks and on reaching scientific-technological and economic top achievements.

In all masters' departments [meisterbereiche] and brigades, the standard of ideopolitical work is to be raised even more through further strengthening the party collectives and through fulfilling the political responsibility of trade union and FDJ functionaries.

Comrades, the report of the Rostock-Stadt Kreis leadership on the experiences of the leadership work to develop services and repairs for the population stressed the great responsibility of the SED leaderships for constructively solving all questions that concern the welfare of the people in socialism.

The Central Committee Secretariat issued guidelines to establish an efficient, well organized system of services and repairs, which increasingly better corresponds to the rising demands of the population. The Council of Ministers was instructed to carry out a comprehensive analysis and to prepare the necessary decisions for the further development of services and repairs, communal services, and material-technical supplies for municipal services.

It is one of the focal points of political leadership to steadily raise the scope and quality of this sectors performance through production intensification and increases. This is reflected by shorter delivery periods, knowledgable and friendly service, shorter distances, and favorable operating hours for the working people. This corresponds to the unity of economic and social policy and is an integral part of the economic strategy.

The kreis leaderships should give even more support to the state organs in working out qualified, long-term concepts to develop services and repairs according to demand and to tightly guide their being put into practice while thoroughly analyzing their results at all times. The possibilities of socialist team work with the combines and enterprises in the region are to be used more efficiently to rationalize and improve working and living conditions in this sector.

In particular the kreis leaderships should see to it that the leading cadres are conducting continuous political talks in the collectives of the service and repair enterprises, the production cooperatives of the crafts, in the private crafts enterprises, and with the small business men. The most important concern must be to tap more comprehensively the intellectual and material potentials, the professional experiences, and the skills of the working people for a high contribution to fulfilling the main task.

The report of the party organization of the parent company of the VEB Shoe Combine, Weissenfels, to the SED Central Committee on the results and experiences in introducing key technologies clearly showed how this basic organization is mastering the demands on the implementation of the economic strategy.

The overall preparation of the application of modern technologies and their economically profitable utilization depends decisively on the quality of their style of political leadership and the standard of inner-party life.

Focal points of political leadership are, above all, the exemplary activity of all communists, the development of the working people's creative work for the optimum utilization of highly productive facilities, and the timely training of the people to master modern technology.

Concerning these demanding tasks, the principle of performance development having to go hand in hand with improving the working and living conditions is to be applied. To safeguard the party's leading role during each step demands both effective party training and solid organizational work from the basic organizations.

Close relations of the party leaderships to the secretaries of the departmental party organizations and party group organizers, the consistent enforcement of Lenin's norms of party life, a party structure that corresponds to the technological regime, and the tightly controlled regular appearance of all leadership functionaries in the work collectives belong to the indispensable preconditions for strong basic organizations that are capable of action.

The reports concurrently showed that through higher quality of leadership work by the bezirk and kreis leaderships, the basic organizations' mobilizing and creative work on their own responsibility for the implementation of the decisions of the 11th SED Congress has developed well.

In the daily life of our socialist society it has been confirmed again and again that decisive conditions for the lively realization of the party's leading role are created in the basic organizations. In view of steadily rising demands, this enables our militant alliance to successfully fulfill its tasks.

In line with the six focal points of ideological work, which were formulated by Comrade Erich Honecker before the first secretaries of the kreis leaderships on 6 February, the party organizations have further advanced the standard and the attractiveness of their ideopolitical work as the core of the party's work. This was also proved by the central exchange of experiences on the guidance of political work among the masses to implement the decisions of the 11th Congress, which was carried out at the decision of the Central Committee Secretariat on 1 October 1987 in Karl-Marx-Stadt. The deliberations centered on the demands on agitation and propaganda with regard to mastering the social tasks, in particular on the main battlefield, the unity of economic and social policy.

In this it has proceeded from the premise that the effectiveness of the ideological work, in which verbal agitation has an important place, is measured by how the socialist attitude develops, and which concrete results are achieved in implementing the party's decisions.

It was ordered to explain political connections and to generalize outstanding achievements. The concepts decided by the bezirk and kreis leaderships after the 11th Congress to guide ideological work have proved their worth—concepts which are directed at dealing with basic political questions of our development and at further raising the effectiveness of political work among the masses through a differentiated approach.

The approach—which is close to the masses—to all tasks of further implementing the decisions of the 11th Congress also determined the work of press, television, and radio.

An important aid in the party's ideological work are the articles on theoretical questions, which are regularly published by NEUES DEUTSCHLAND on decision of the Politburo, and the contributions in the television series "Scientists for Pedagogues," which deepen the Marxist-Leninist understanding of the basic problems of our times in close connection with the topical issues of the GDR's foreign and domestic policy and convincingly conduct the confrontation with bourgeois ideology.

The Politburo encourages the the bezirk and kreis leaderships in their efforts to develop all basic organizations into solid bastions of the party through even better instructions and direct support of the party leaderships.

Dear comrades: In further implementing the decisions of the 11th SED Congress, now the bezirk leaderships, kreis leaderships, and basic organizations should concentrate on the following tasks:

First: Equipped with good experiences in political leadership, the offensive of the ideas of socialism and peace must be developed to an even greater extent. It is necessary to raise the ideological content, the power of conviction, and the effectiveness of ideopolitical work among the masses, while at the same time developing its differentiated nature, to integrate all citizens into the political talks, and to thus develop new initiatives for the overall strengthening of the GDR.

Second: It is a priority task of the leaderships of the party's basic organizations, to make efficient use of every hour of worktime remaining till the end of the year, and to mobilize—in close cooperation with the trade union leaderships and the FDJ leaderships, as well as the state and economic organs—all working people for the fulfillment of every single plan target, including the additional pledges.

Third: Under the guidance of the party leaderships all material-technical conditions and leadership conditions for a smooth start of the 1988 plan with top performances per workday from the first hour of production onward are to be provided.

The workers class, the class of the cooperative peasants, the intelligentsia, and all other working people have to be made clearly aware of the extraordinary importance of high economic achievements in the 1988 plan year for the implementation of the 5-year-plan targets.

Fourth: The militant programs of the basic organizations are to be further developed in such a way that the contribution of the work collectives to implementing the party's economic strategy is considerably increased, the planned demand of the national economy is fully met, and the material and cultural demands of the population are better satisfied. The targets of the militant programs are to be set in such away that they take into consideration even more the unity of economic and social policy.

Dear comrades: The past period under review and the results of our work have once again shown that we have made good progress on the path of successfully implementing the decisions of the 11th congress. This fills us with optimism and strength to fulfill also in the future all tasks set by the party under all conditions and with close links with the people and for the people.

Price Increase Decree Prompts Shopping Spree

LD302222 Budapest Domestic Service in Hungarian 1730 GMT 30 Dec 87

[Text] In Budapest, by this afternoon goods had run out in many food shops. People were mostly buying meats and cheeses. Jozsef Gal, leader of the Budapest Council Commerce head department, told an MTI correspondent that following the publication of the January price changes, from noon today a significant shopping spree began. Industry and trade could not satisfy demand. In Budapest, all efforts will be made to fill stocks tomorrow in the food shops, which will stay open until 1800, and those with late opening, until 1900.

Bekesi Comments on Economic Policies

AU311156 Budapest NEPSZABADSAG in Hungarian 24 Dec 87 p 8-9

[Interview with Laszlo Bekesi, deputy minister of finance, by Andras Szigethy: "Deputy Minister of Finance Laszlo Bekesi—We Need a Consistent Financial Policy;" date and place not given]

[Text] [Szigethy] How do you see the year 1988 from the point of view of financial policy?

[Bekesi] I think that 1988 will be exceptional and decisively important. The increase in consumer prices that can be measured in two digit figures will put heavy burdens on the population. We should say clearly that this is not an economic policy goal; this is a necessity that is inevitable in order to avoid the worst—a much larger drop in the living standard. The point is, that we should regroup our limited resources at the expense of consumption in order to enable the economic management to achieve a relatively better position.

[Szigethy] Will this, then, be paid for by the population?

[Bekesi] It will also be paid for by the budget, public expenditures, and the so-called non-productive investments. [sentence as published]

[Szigethy] Is this sacrifice not large?

[Bekesi] The measures are very tough. Reducing the living standard is regrettably an organic and unavoidable part of the comprehensive plan aimed at preventing the economy from being run down, at straightening it out, and at advancing it. The fundamental issue regarding the success of this process will be determined in 1988. I must say that whether a relatively short period of 2-3 years will be required for stabilization, or a lasting and almost unforeseeable new stagnation starts—a process that in itself carries the danger of further regression—depends on 1988.

[Szigethy] What are the direct reasons for the drop in the living standard, and when can we expect a more favorable period?

[Bekesi] The 2-digit inflation rate will be a single event that will be characteristic of 1988 alone. In other words, this is not a market inflation in the classical sense but a centrally directed one. The built-in price increases that result from the changes in the structure of the prices amount to 8 percent and they will not be repeated in 1989. Inflation in 1989 should be below 10 percent.

[Szigethy] Will the budget be able to alleviate the circumstances of people in the most difficult situation?

[Bekesi] We were able to pay increased attention only to people in the most disadvantageous situation. People who are retired, have large families, are disabled, or have a reduced capacity to work will receive larger than ever payments to compensate for the living conditions that are becoming increasingly expensive. This can be demonstrated by the fact that social policy expenditures usually increase by 7-8 billion forints per annum; but next year these expenditures will increase by 27 billion forints.

Only an unwavering and consistent financial policy—and the tax reform is an organic part of this—can lead us to success—a situation where losses will be made public and loss-making management eliminated and in which good enterprises will advance to even better positions. Some 5 percent more net income will be achieved by 50 percent of the enterprises. But there will be enterprises where the net income can increase by even 20-30 percent. In 1987, 90 out of every 100 forints of the net income were paid into the budget; the sum paid into the budget in 1988 will stand at 74 forints. This again will play into the hands of those who manage their business profitably because the money will stay where it is created. When this process gains strength, real development can begin and financial management will be able to reduce the pressure of the taxes. This can lead to real development. The road is very difficult. If we let ourselves be diverted from it, we have no chance to succeed.

State Monopoly on Foreign Trade Lifted

LD291848 Budapest MTI in English 1515 GMT 29 Dec 87

[Text] Budapest, December 29 (MTI)—From 1988 Hungarian companies can export freely without the permission of the ministry. While the monopoly of the specialized foreign trade companies has been gradually reduced since 1980, the number of companies transacting foreign trade has more than tripled to 335. Following the introduction of the state monopoly of foreign trade in 1948, solely companies specialized in certain groups of commodities were entitled to transact export and import. At the time foreign trade had merely a distributive function. The new economic mechanism of 1968 brought about a turn in foreign trade. Under the new regulations, companies became more independent and the system of company profit was introduced. Between 1968 and 1972

foreign trade rights were granted to 56 productive companies. The restriction, however, that one company could export or import only one kind of product at a time remained in force.

Substantial changes have taken place in the organization of foreign trade since 1980. A further 200 companies have been given the right of transacting foreign trade, and the occasional export of certain products war authorized by the ministry of foreign trade in hundreds of cases. Forty companies have been granted a general foreign trade right, which means that, with a few exceptions, they can freely transact trade in hard currency. Currently more than 100 joint ventures are in operation in Hungary, and since 1985 five trading houses have also been founded. All these developments have strengthened the role of the market. From July all economic units with an annual export turnover of more than 1 million dollars are free to select the commodities they wish to export or import.

From 1988 the foreign trade activity of financially solid companies with a qualified staff is not to be subject to any permission. The measure is expected to facilitate the export and import of articles necessary for production. Productive companies are to benefit most from the measure by faster reaction to world market changes. Despite the removal of several barriers, some restrictions remain effective.

Foreign trade with the socialist countries continues to be regulated by inter-governmental agreements. In 1988, too, foreign deliveries of certain products, such as grain and energy carriers, are to be centrally regulated in the hard-currency relation. To restore the balance of foreign trade, import will invariably be attached to permission, but the authorization process is to be simplified for export-oriented companies.

TU Council Appeals To Control Price Increases

AU251928 Budapest NEPSZABADSAG in Hungarian 19 Dec 1987 p 1

[MTI report: "Greater Attention Should Be Paid to Price Supervision—National Trade Union Council's Appeal"]

[Text] The National Trade Union Council is appealing to the state organs of economic management, public organizations, enterprises, cooperatives, and entrepreneurs to do everything possible to ensure that in 1988—a year that is decisively significant from the point of view of stabilization—the burdens on the population resulting from the price increases will not exceed the level stipulated in people's economy plan. These factors should collaborate more efficiently in observing pricing regulations in a disciplined manner and making others observe them, thus laying the foundations for the implementation of our economic policy goals. The appeal was made public at a conference held at the construction workers headquarters on 18 December. The conference was attended by representatives of the state and public organizations which supervise prices.

As was said at the conference, continuous supervision and control of the prices have become a primary social and political issue because price regulation will become much more liberalized in the coming years. Improving price supervision is also necessitated by the fact that the 1988 people's economy plan is taking into account a price increase of 15 percent per year, which considerably exceeds the price changes in the past years. Both the protection of the workers standard of living and the effective management of the economic reform processes make it necessary for price coordination and price control—pricing in general—to have an outstanding role in the 1988 economic tasks of the trade unions. Therefore, the National Trade Union Council is initiating an action program aimed at constantly observing the prices and supervising pricing practices more extensively and thoroughly than previously.

The participants at the conference said that the population fears that in 1988 prices will increase beyond the planned extent. This danger exists because—in absence of real market relations—enterprises so far have also been able to make unwarranted efforts to increase prices. It can also be expected that in the future, some of the economic organizations will continue to try to obtain income through price increases instead of improving work efficiency. Therefore, in the opinion of the trade unions, keeping a firm hand on prices will require complex economic management measures; and the emergence of competitions in real market conditions, working out market regulations, and supervising compliance with them are important means of curbing price increases. At the same time, the trade unions will also strengthen their price supervisory activities, and in the future they will not only check on compliance with price regulations in shops and in the area of services, but will also continuously follow the development of producer prices. The National Material and Price Office will also follow the implementation in January of the reorganization of prices related to the tax reform.

The price changes in 1988 will considerably rearrange consumer prices and change our habits of consumption. The prices of goods and services that are daily consumed by the population will greatly increase. This will lay a heavier than average burden on people with low incomes, large families, or in retirement. The social activists of the trade unions will, therefore, examine with particular thoroughness whether the prices of these goods and services appropriately follow the regulations. They will also be continuously informed on the state of supplies and the quality of products that have state prescribed prices.

At the debate on the action program many participants stressed that these tasks can be accomplished only with the cooperation of well-trained trade union activists who are experts on prices.

Bank Credits To Encourage Exports

LD302225 Budapest Domestic Service in Hungarian 1730 GMT 30 Dec 87

[Text] Next year banks and financial institutions will grant credits in such a way that economic policy objectives are helped. According to the government resolution, the financial institutions will give a fixed proportion of loans to objectives which primarily serve to increase export capability and implement economic development programs and structural change based on technical development. The Council of Ministers makes it the task of the Hungarian National Bank to further the practice of strict and selective crediting, as well as to influence purchasing power with the aid of loans.

Council Amends Law on Private Trade

LD301512 Budapest MTI in English 1355 GMT 30 Dec 87

[Text] Budapest, December 30 (MTI)—The Presidential Council of the Hungarian People's Republic held a session on Wednesday.

The body amended the law decree on private trade. Accordingly, the private trading licence can also be granted to a civilian legal association operating under a joint name. The staff of a civilian legal association of the boarding house and camping profession, together with catering activity and restaurants may be 30 members, other boarding houses, camping sites and supermarkets, fuel and building material and display centres may be 20 members, and other private dealers may have 15 members.

The presidental council has also altered the law decree of the economic associations. Accordingly, private persons and their associations working under a joint name may create or join, together with a legal entity, a society of limited liability.

Strengthening Parliamentary Role Viewed

AU251943 Budapest MAGYAR HIRLAP in Hungarian 18 Dec 87 p 1

[Andras Erdelyi editorial]

[Text] The National Assembly voted on modifying the Constitution on 17 December. Any change concerning the basic law is always an important event in any circumstances. Therefore, the statement made by one of the deputies concerning the fact that now we are talking about a decision that signifies a breakthrough in Hungarian legislation, can hardly be called an exaggeration.

A debate that had been going on for a long time and which had a significant social content, was decided at the Parliament on 17 December. In the course of the past decades, and relying on its substituting sphere of authority formulated by the Constitution, the Presidential Council has often—moreover, too often—replaced the National Assembly in its legislative function. In other words as the state secretary said in his speech on 17 December the executive orders issued by the Presidential Council have become the general and typical way to modify the law.

At present nobody denies that this practice is not at all in agreement with the decisive role of the National Assembly, which has been declared a fundamental political goal. Nor did the discussions held at the professional forums of the previous week deal with this subject. Rather the opinions clashed over the methods of the solution, although, in the final analysis, these discussions also had important contents at stake.

There were people—and their opinion was also expressed at the National Assembly session on 17 December—who were concerned over the stability of the Constitution because of the registration of the new statute to the effect that during the period between the National Assembly sessions, the Presidential Council cannot make laws in areas whose regulation is within the National Assembly's sphere of authority.

In contrast to this reasoning, did not question the need to change the current practice anyhow and only attempted to postpone it to a future time, the opinion that prevailed at the debates of parliamentary committees, and eventually at the plenary session on 17 December, was that the legislative right of the National Assembly should be returned to it as soon as possible, or, if you like, that it should take it right back.

Well, as a result of the 17 December vote, this authority in its entirety will rightfully belong to the National Assembly from now on. This constitutes a significant stage in the now so frequently mentioned development process that is held desirable and in the renewal of the system of political institutions. In the words of the chairman of the Council on Constitutional Law, compliance with the new legal regulation and making others comply with it will constitute an important step on the road leading to the simultaneous development of constitutional life, state life, and socialist democracy, and to the modernization of our legal system; it will also be an important step forward the further accomplishment of the role played by the supreme executive and representative body.

But whether or not this statute will give the National Assembly not only formal rights but also a genuine role in legislation will depend on the deputies of the esteemed house.

Varkonyi Discusses International Issues

LD301428 Budapest MTI in English 1110 GMT 30 Dec 87

[Text] Budapest, December 30 (MTI)—The December 30 issue of KEPES 7, an illustrated weekly of the Hungarian Patriotic People's Front, carries interviews

with prominent personalities of the international political life. The politicians discussed topical world policy issues and their domestic and foreign policy plans for 1988.

Hungarian Foreign Minister Peter Varkonyi said:

The presence and effects of favourable international processes and conditions are mainly reflected in East-West relations by a growing rational common responsibility for preserving peace and the recognition of the necessity of cooperation in the handling and solution of international problems. The reform processes gaining ground in the Soviet Union, China and the other socialist countries which pave the way for a profound social and economic renewal in the world socialist system as a whole have an increasingly important influence on international relations and possibilities of cooperation.

As to international security, we consider the reduction of armament and the role of military factors our chief aim and one of the fields that require the greatest activity and responsibility in foreign policy. Accordingly, we take an initiating part in the consistent endeavours of the socialist countries and the Warsaw Treaty for establishing a comprehensive system of international peace and security. The Warsaw Treaty has a co-ordinated foreign policy strategy, conception and programme, and has made proposals for solving all the pressing global problems.

Starting from our possibilities and making use of our means, we support the exemplarily responsible foreign policy of the Soviet Union, its efforts, initiatives, repeated proposals and readiness to talk and reach efficient agreements which are aimed at a safer world and serve, irrespective of social systems, the interests of mankind as a whole including every people and every nation.

The statement approved by Parliament on December 17 rightly welcomed, also on behalf of the general public, the agreement signed during the Gorbachev-Reagan summit in Washington, and expressed the assessment of the National Assembly and the Hungarian Government that the achievements proved convincingly the correctness of the new Soviet foreign policy line and the flexible peace initiatives based on realities. I also hope that the consistent efforts of the Soviet Union and the other socialist countries taking into account the interests of the other side will continue to find support in the realistic political circles of the United States, its allies, and the world public.

On the basis of the experience gained in 1987 we are confident that the favourable tendencies of international relations continue to strengthen and, despite the tension-generating effect of unsettled crises, the trend of detente will prevail in the international situation. Therefore the horizon of our foreign policy and international relations is to expand even more rapidly than in the past decades. The fulfilment of our reform programme does not face unsurmountable obstacles, and can rely on the support of our allies and the cooperation of our partners. The maintenance of our favourable international prestige depends first of all on the consistency and success of our reform measures. the growing intensity of our foreign policy, its readiness to initiatives, openness and sustained dynamism serves the attainment of the aims of our country building socialism, Hungarian Foreign Minister Peter Varkonyi said.

KEPES 7 Carries Whitehead U.S. Policy Remarks

LD301439 Budapest MTI in English
1200 GMT 30 Dec 87

[Interview with U.S. Deputy Secretary of State John C. Whitehead, from KEPES 7; by unidentified reporter, date and place not given]

[Text] Budapest, December 30 (MTI)—Question: What are the most important U.S. tasks and objectives in international affairs in 1988?

Answer: Historically, fundamental U.S. foreign policy objectives have been to ensure that our national security and our NATO alliance remain strong and vital, to ensure domestic prosperity and contribute to world economic growth, and to promote democratic principles, human rights and peace around the world. We made great strides toward achieving these objectives in 1987 and they remain our goals in 1988.

The INF treaty is major achievement and a first step forward in the field of arms reductions and in East-West relationships. The INF treaty has strengthened European security. The U.S. Senate will review the treaty for ratification early in the New Year. In the meantime, the United States will energetically pursue with the Soviet Union the goal of reaching a safe strategic balance at lower levels of nuclear arms and with greater reliance on defensive systems. Continuation of the Strategic Defense Initative remains an essential element.

Beyond arms control, with the Soviet Union we will continue to seek an improved bilateral relationship, including increased people-to-people contacts. We will reaffirm our concern for human rights. And we are determined to achieve peaceful solutions to regional conflicts in the Persian Gulf, Cambodia, Afghanistan, Angola and Nicaragua.

We will continue to support those fighting for their freedom even as we promote negotiated resolutions to end regional disputes. And, we will continue our efforts to secure a lasting peace in the Middle East.

In shaping our foreign policy, the United States also will focus attention on global trends that affect all nations. Already, the expansion of scientific and technological

know-how is producing a dramatic dispersion of economic, military and political capabilities around the globe. Increasingly, openness to ideas, information and contacts are necessary for economic competitiveness and growth, for effectiveness in domestic politics and international diplomacy—even for success in arms control, where on-site verification is critical to building confidence.

In this new era, we know that every nation bears responsibility for managing the problems of change. The United States must keep its own house in order and in particular solve the related problems of our budget and trade deficits. At the same time, we will continue to stand for political and economic freedom and to work together with other nations to help create a better world. That is why America will work for constructive relations with Hungary and other Warsaw Treaty nations. And that is why America's overall foreign policy objective for 1988 is to continue to play a leading role as an engaged, global force for security, prosperity, human rights and democratic change.

Q: How would you characterize U.S.-Hungarian relations today?

A: Our relationship is quite good. During the past year, we have progressed in a positive direction on all fronts. We have seen a significant growth in bilateral trade, a major expansion in our educational and cultural exchanges, a number of high level visits in both directions and general increase in the level of political dialogue. While there's always room for improvement in any relationship, I am pleased with what we have achieved and convinced we are moving in the right direction.

Q: Where would you like to see improvements?

A: Bassically, I would welcome more of the same, especially in our bilateral trade this year. Both sides have expanded their exports to the other. We would like to see a continuation of this pattern of growth in the future, especially in the area of non-strategic trade. We are also interested in expanding our cooperation in other spheres and are currently exploring new avenues for cooperative ventures.

Q: What about technology transfer considerations?

A: We have made some progress in this area as well. I believe that our export control regulations have become clearer to the Hungarian government. We have managed to reduce the time required to process export licence applications and increase significantly the approval rate for applications for export to Hungary.

Urban Confirms Murderers' Sentence Reduction

LD301951 Warsaw PAP in English
1914 GMT 30 Dec 87

[Text] Warsaw, Dec. 30—While answering the questions from Associated Press, Jerzy Urban said that on December 17, this year, the criminal law chamber of the Supreme Court, following a motion of the prosecutor-general and on the grounds of Article 4 of the law on special proceedings against perpetrators of some offences which had been adopted July 17th, 1986, reduced the prison sentences of Father Popieluszko's killers: A. Pietruszka's - to 10 years, G. Piotrowski's to 15, L. Pekala's to 6, and W. Chmielewski's to 4.5 years. All these persons are staying in prisons. The decision was justified with humanitarian reasons, requests from families motivated, among other points, by the good of their small children. This does not mean a more lenient attitude of the Supreme Court to this crime. The decision should be viewed in the context of the general humanitarian penal policy which has long been particularly eloquent in cases of crimes motivated politically.

The decision should be perceived and evaluated together with the decision on an early release from prison (parole) now for all the perpetrators of killing police Sergeant Karos. Although these are two separate cases they have a common meaning: murder—if one disregards different circumstances of crime—is treated identically, whether the victim is a priest or policeman, Urban said.

Four Men Die in Warsaw Basement Explosion

LD302127 Warsaw PAP in English
2105 GMT 30 Dec 87

[Text] Warsaw, Dec. 30—Four men died as a result of an explosion in a basement of a building in the Warsaw district of Zoliborz on Wednesday afternoon.

Policemen, fire brigades, ambulance service and gas emergency service arrived at the site of the accident.

So far, militia functionaries have found out the identity of three victims who lived in the same block of flats. The explosion was caused by a bomb which the men had brought to the basement. The investigation is under way, officer on duty of the Warsaw office for internal affairs reported.

Jaruzelski, Messner Cable Romanian Leaders

LD301318 Warsaw PAP in English
0005 GMT 30 Dec 87

[Text] Warsaw, Dec. 29—Wojciech Jaruzelski and Zbigniew Messner sent a congratulatory cable with warm greetings and best wishes to general secretary of the Romanian Communist Party and president of Romania Nicolae Ceausescu and to chairman of the Council of Ministers Constantin Dascalescu, in connection with the 40th anniversary of proclamation of the Socialist Republic of Romania.

"We are deeply convinced that the traditional relations of friendship and cooperation linking our parties, states and nations, as well as cooperation within the framework of the political-defensive alliance of the Warsaw Treaty and the Council for Mutual Economic Assistance will continue to develop and grow stronger with benefit for the successful development of Poland and Romania, the issue of peace and socialism in the world," the message reads in part.

Council of State Holds Session 30 Dec

LD301915 Warsaw PAP in English
1842 GMT 30 Dec 87

[Text] Warsaw, Dec. 30—The Council of State held a session at the Belvedere Palace here on Wednesday [30 December] to examine and adopt the assumptions of changes in the electoral law of people's councils.

The Council of State decided to submit the assumptions to public discussion.

Sadkowski on Aspects of Economic Reform

PM311055 Katowice TRYBUNA ROBOTNICZA in Polish 19 Oct 87 p 3

["Unauthorized" report by Boleslaw Wegowicz on a meeting between Deputy Premier Zdzislaw Sadowski and Polish economists at the October 1987 National Conference of Economists in Wisla; first three paragraphs are editorial introduction]

[Text] The Wisla conferences for economists have gained considerable renown over the past 30 years. It is here in Wisla that economists representing central economic management, academic circles, and industrial practice spend many hours in lengthy meetings at which they discuss their conflicting views. As a rule, top representatives of central economic management come to these meetings. In the past years premier Zbigniew Messner, Prof Wladyslaw Baka, and many other eminent personages had been guests of the Wisla conferences.

This year the National Conference of Economists in Wisla was attended by Deputy Premier Zdzislaw Sadowski, who is in charge of the implementation of the economic reform. In addition to representing the government at the conference, he attended it in his official capacity of chairman of the Polish Economic Society, whose Katowice branch organized this year's Wisla meeting.

Professor Sadowski's address, which dealt with the main directions of the implementation program for the second stage of the economic reform, was received with great interest in the economists' milieu. The following are unauthorized excerpts of the dialogue between the deputy premier and the economists.

[Question] Manpower shortage in Poland is estimated at about 400,000. In consequence, work is held in low esteem. How does the government intend to achieve equilibrium in the labor market?

[Sadowski] To begin with, let us talk about the low esteem for work. I believe this is caused not only by the fact that we are shorthanded but also because of a combination of many other factors. Our society's ethical standards regarding work are, for instance, affected adversely by the hard currency exchange rate. It is necessary to bring this rate down to a reasonable level, and it is essential to do it quickly. The dollar must not be allowed to oust the zloty. Over the next 3-4 years the black market rates of hard currencies ought to come down and the official rate ought to go up. It is not realistic to expect the zloty to be made convertible before the 1990's, and even then it will probably be no earlier than the second half of the decade.

[Question] Is it really true that the labor market is short of thousands of hands?

[Sadowski] The shortages are relative. After all, many firms continue to suffer from overmanning, which results in low labor productivity. We are also suffering as a result of unfortunate decisions made in the years 1980-1981, when many highly experienced and qualified people left their positions as technicians or graduate engineers, or in particular workers in exceptionally hazardous occupations, in favor of so-called earlier retirement. We then ran short of people able to replace them because, after the fashion of highly developed countries, we have experienced a massive drop in the popularity of the most hazardous, albeit well paid, jobs.

[Question] Enterprises are reluctant to rationalize their manpower policies and apply the "holding out" tactic. But economic mechanisms dictate that managers and self-management structures follow that policy in preference to any other. Does not the notorious 12-percent tax threshold favor these practices?

[Sadowski] I am going to defend that particular solution, although it is certainly not perfect. Its virtue lies in the fact that it stems excessive pay increases. How many enterprises have we got whose production growth reaches, say, 30 percent? An overwhelming majority of enterprises do not qualify here. The 12-percent threshold impedes normal functioning of enterprises only in exceptional circumstances and in such cases it is revoked. Nor do I agree that all enterprises are only interested in holding out and nothing beyond that. We have many bold enterprises and many courageous people in them, and the mechanisms applying today certainly do not force them to stick to any holding-out tactic.

[Question] Implementing the program of the second stage of the reform is a mammoth task requiring a multitude of operations, but the largest proportion of these operations will fall to the Finance Ministry and the Council of Ministers Office, and in general to the administrative sector, which is at present criticised from all possible directions. Where do you envisage room for any public advisory groups or the Commission for the Economic Reform? As members of the commission's 10th working party we have declared our readiness to collaborate in the preparation of programs.

[Sadowski] But it is patently obvious that public bodies must participate in the preparation of programs. Perhaps the documents do not state this explicitly enough. However, let my very high appreciation of the foreign trade report prepared by the independent experts group appointed on the initiative of the PRZEGLAD TYGODNIOWY publication testify to the fact that we are very keen to use the assistance of such public bodies. Certain fragments of that report were sold immediately.

[Question] If it becomes obvious during the second stage of the reform that interference in the affairs of a given enterprise has been detrimental to its interests, will those responsible for that situation be liable to prosecution and be made financially accountable?

[Sadowski] This is already possible. The way it is done is that the aggrieved party brings in legal action against the relevant decision. After all, we have the Supreme Administrative Court which has to date found that in 40 litigated cases the administrative bodies involved had acted wrongly.

[Question] How, in general outline, will we be taxed?

[Sadowski] The taxation system needs to be changed and we are all very much aware of this, but we must not act too precipitately. This means the earliest date would be 1989 as regards the implementation of a new taxation system. Now for some detailed information about our plans: We want to lower the tax on revenues and eliminate tax allowances. In future—but only after the new prices have been introduced—enterprises will become liable to pay value-added tax. We also concede that the Social Security Agency contributions are too high and, consequently, they will be reduced. The tax on above-quota wages paid out by enterprises is not a compulsory liability. In simple terms, if you depart from the rules of the game, you must pay; if you abide by these rules, you have no liabilities to face.

[Question] Why do subsidized enterprises, which take advantage of numerous privileges, pay the highest wages?

[Sadowski] I imagine your question refers mainly to the coal mining industry. Subsidies here are a necessity, the decisive factor being the fact that our entire economy is based on coal. Extraction costs are higher than the official prices of coal, both producer and retail. Clearly, in the nearest future we must balance the prices of coal and energy, and this will guarantee the profitability of both extraction and production.

[Question] The proposed bill on the creation of a Polish Energy Corporation envisages that body as a type of concern controlled by a supervisory board which will be endowed with very extensive powers. The board will make decisions on day-to-day tasks and operations and also on merging and separating individual enterprises. There will be central management, central accounting, accumulation of hard currency funds, and so on. Does not all that contravene the 1981 act on state enterprises as well as other legislation?

[Sadowski] Emphatically not. This is because we have never envisaged a uniform blueprint for the national economy in the second stage of the reform. There are areas where small, competing enterprises may be necessary and then there are areas where integrated action is of the utmost importance, such as the coal or power industry. We also propose searching for other solutions—not to be imposed but achieved by means of economic instruments—where enterprises could be grouped in concern-like systems, which would be acceptable for the electronics, pharmaceutical, or metal industries.

Jaruzelski Meets With PRON's Dobraczynski
LD301917 Warsaw PAP in English
1840 GMT 30 Dec 87

[Text] Warsaw, Dec. 30—President of the Council of State, Gen. Wojciech Jaruzelski paid a visit to chairman of the National Council of the Patriotic Movement for National Rebirth (PRON) Jan Dobraczynski on Wednesday.

During a long, cordial talk the two assessed the achievements of the passing year in the cause of national agreement and rebirth, and discussed main problems that this country will face in 1988.

Komender Statement on Health, Social Security
AU281330 Warsaw RZECZPOSPOLITA in Polish
22 Dec 87 p 1

["RZECZPOSPOLITA Asks Ministers: 'What Was 1987 Like, and What About 1988?'—Janusz Komender, Minister of Health And Social Security"]

[Text] Unfortunately, this was not a good year for the health service. There was loud talk of various shortcomings. Most of all, there was a shortage of drugs and medical resources. Progress in building health premises was negligible. There was general criticism of wages. Despite the wage rises received by health and social service employees, they are in a relatively low position compared to other professions.

However, the end of the year imparts a certain optimism. Various actions have been undertaken to alleviate the drug shortage, which is one of the health service's basic problems. The chairman of the Council of Ministers has decided to create an emergency fund with which to purchase additional supplies of drugs over and above the amount called for in the program. The minister of industry has created a Fund to Aid the Developnment of the Pharmaceutical Industry, which also consists of money provided by many enterprises. There have also been a number of public initiatives which have increased the possibility of obtaining the most needed drugs abroad. All this should improve medicine's difficult situation. These are improvised actions, but necessary all the same. They illustrate a complete understanding for the needs and role of medicine.

By the way, next year the ministry will have the foreign currency with which to buy drugs and the raw materials necessary for their manufacture. I believe this will permit a more rational management of drugs.

Recent months have seen a start on implementing the program of stage two of the economic reform. The first point in this implementation was to alter the structure and functions of ministries and central offices. These changes have affected me personally. On 24 October, the Sejm made me minister of health and social security. The restructuring of central institutions, which is what this process is called, is continuing. My ministry is an example. It has retained its old name, but its form has had to be adapted to the role meant to be played by the government in pursuance of the reform. We received our statute at the latest Council of Ministers session. The ministry's internal organization has been changed. There used to be 18 departments, but now there are only 13. The number of employees has also been reduced. There will be fewer managerial positions.

I hope this stream of optimism at the end of the old year will accompany us into the new year. I confirm with satisfaction the previously-announced wage rises for health service employees. These will not be automatic and identical for everyone; priorities will be observed. In this way we want to encourage medical personnel to undertake employment in certain places and at certain posts, and balance out the disproportions in wages. Hence, directors of health premises will have considerable freedom to establish wage increases themselves. We will hear what the trade unions have to say on this subject.

Next year we intend to carry out a reform to the health service. The point is to make health care and preventive medicine more efficient and make better use of our resources. Developments which have gained society's approval—such as a free choice of doctor, hospital treatment at home, use of sanatoriums as hospitals, and so on—will be introduced on a broader scale.

Finally, a strategic task: the "health for everyone" program which we intend to finish implementing by the year 2000. This program has been prepared according to a strategy developed by WHO. We will concentrate on undertakings designed to encourage everyone to care for his own health. It is not only doctors who should

encourage this, but also teachers and journalists, in fact anyone who has the opportunity to do so. However, this cannot be achieved overnight. It takes time. How much there is to do in this sphere is best illustrated by research into tumors. How many tragedies could have been avoided if only patients had visited their doctors in good time?

So we are undertaking a major offensive designed to make society care for its own health and make people think about their health when they are still young, and not wait until they begin to feel complaints that are often the result of a lack of concern.

Poll Asks Citizens About 1988 Plans

LD302029 Warsaw PAP in English
1821 GMT 30 Dec 87

[Excerpts] Warsaw, Dec. 30—On the turn of 1988 the POLISH PRESS AGENCY (PAP) asked representatives of various professions and social milieus to take part in a poll on this country's plans for next year and their own civic, personal contribution in their realization.

The poll's questions were following:

—Poland and Poles face many difficult tasks. Which of them do you regard as most urgent as well as feasible in 1988.

—How would you like to personally contribute to Polish life in 1988. What would you like to propose to make it more hopeful and active.

Here are some of the answers:

Prof Wladyslaw Baka, chairman of the National Bank of Poland (NBP), told PAP: "The most important tasks for 1988 are restoration of economic balance and bringing about a full normalization of credit relations with foreign countries. I am going to exert active influence on the realization of both tasks. First, through the control over the issue of money, second, through active cooperation aimed at gaining first credits of the World Bank for Poland".

Priest, Prof Joachim Kondziela, dean of the Social Sciences Department of the Lublin Catholic University (KUL) said: "All points out that the Washington summit will be followed by further steps in the disarmament policy pursued by the Soviet Union and the U.S. and by improvement of the political climate between these powers."

"However, progress in disarmament must be supported by peace activity of small and medium-size countries. Particularly, Europe, Europe meant as a whole, faces a huge task to fulfill. It is here that I can see the role of Poland in 1988. One cannot be satisfied only with military confidence building measures."

"Peace is too serious an issue that its fate should be left only to generals. What is necessary is pro-peace, huge world public opinion. Poland's latest peace initiative, the Jaruzelski plan, aims exactly at this when it points to the necessity to move from offensive doctrines to the defensive ones, Kondziela continued.

"Social expectations, which are my expectations as well, also concern normalization of relations between the Holy See and Poland and the further social-political subjectivization of non-party membrs, including believers," he stated.

Bohdan Czeszko, writer:

"At present it is difficult for me to speak about the economy. There are too many various concepts and methods of healing the economy, and it is not easy to assess which are proper and which are nonsense. I would hesitate to approve of fully optimistic convictions that all will be all right soon. We happen to be again in the period of great dreams of our economists, who promise that 'just a little bit' and almost all will be improved. And this is not true. Even if we firmly start to introduce the reform, this process will last years".

Janusz Roszkowski, chairman of Radio and TV Committee:

"Next year one should more efficiently serve improvement of the quality of life. Naturally, it does not only refer to the sphere of material consumption. It is composed of social relations, labour conditions, influence on public affairs and access to cultural values. If we cannot improve all to an equal degree, at least we should persistently and firmly strive to achieve all that is possible". [passage omitted]

PUWP CC Political Bureau member Zofia Stepien:

"I would like primarily to ease the lot of a Polish woman— an improvement in the situation of women depends chiefly on what we will produce. The accessibility of industrial consumer goods and services, provided that their prices are not high, can most effectively help mother and wife. In the second stage of the reform, enterprises can go bankrupt but this cannot cause 12 million households to go bankrupt. They must live and function normally".

Minister for Sports and Youth Aleksander Kwasniewski:

"As for a programme for modernizing the country, the main tasks are to be implemented by young people. My actions will aim to convince young Poles that it is worthwhile to commit themselves. They should be convinced by arguments. One of them is to shorten the time of waiting for a flat. We will more vigorously and broadly propagate initiatives to reach this goal, to overcome stereotypes and to create a true chance to independently build a flat".

Head of the Journalists' Union and editor Artur Howzan:

"As for political area, I deem it most important to immediately start work on new electoral laws for people's councils and, consequently, the Sejm. As regards economic and social tasks, I consider it urgent to free all producers manufacturing any installations to protect natural environment from taxes. It is necessary to immediately eliminate the entire package of regulations making it difficult to set up and run firms, companies and private enterprises. One should also provide people with opportunities to earn more money by giving up taxes in case of starting additional part-time work". [passage omitted]

Father Tadeusz Marzynski from Bydgoszcz:

"I propose that everybody should do well what is his duty to do".

Writer Zbigniew Nienacki:

"It is the duty of all fellow-countrymen dealing with public questions to declare war on bureaucracy. Bureaucracy does not mean only the flood of various papers but also inefficient actions and proceedings of these who should serve society instead of ruling it. The Sejm is the supreme power but it is actually a saleswoman and an official of the lowest rank who govern us. These people determine the practical functioning of the word 'justice' and what is due to everybody of us and what we must not do. I intend to actively protest against such 'governing' and all of us should start such struggle".

BRIEFS

Year's End Demographic Statistics

Warsaw, Dec. 30—According to the estimates of the Central Statistical Office (GUS) some 37.761 million Poles will greet the year 1988. Among them women will constitute the majority. For instance, in towns sex ratio is 108 women to 100 men. In rural areas this proportion is leveled. The average lifespan of Polish woman exceeds 75 years, that is five years longer than that of the men. This year about 602 thousand new citizens were born (32 thousand less than last year) and 255 thousand couples got married (three thousand less than in 1986). The passing year has recorded the lowest demographic growth in the post-war history of Poland—5.9 per thousand. The GUS official data show that some 30 thousand Poles resettled abroad while four thousand permanently returned to the homeland. It is estimated that the number of 100-year old persons exceeds 2,000. [Text] [*Warsaw PAP in English 1846 GMT 30 Dec 87 LD*]

Supply Crisis, Resistance Reportedly Mounting

AU301244 Vienna KURIER in German
30 Dec 87 p 3

[Exclusive report: "Supplies Crisis and Resistance in Romania are Mounting"]

[Text] The food supply of Romania's population has further deteriorated. Even onions and salt have recently been rationed. At the same time, resistance against the "blood and tears" policy of the Ceausescu regime is mounting and there are calls for the return of former King Mihai.

Romania's state and party leader Nicolae Ceausescu has promised the population 70 kg of meat and 15 kg of potatoes per person for 1988. But nobody believes his statements, since the 1988 plan contains the target to export 6 percent more agricultural products than this year.

The current supply situation is catastrophic. In general, foodstuffs can only be procured on the basis of ration cards. There is a so-called "collective card" (consisting of six columns for six months) and the actual cards for meat, flower, oil, etc. But very often food cannot be obtained in the shops in spite of the cards.

Recently onions, salt, and even matches have been rationed.

In the black market, some of the things can be bought at exorbitant prices. One kilo of coffee, for example, costs between 900 and 1,000 lei in clandestine trade, corresponding to one third of an average salary. Since the six eggs allowed per month for every person (it used to be eight) cannot be obtained in the shops, people are forced to buy them in the black market. There an egg costs between 40 and 60 lei. The supply situation and the energy shortage are beginning to fan resistance among the otherwise rather passive Romanian population. The "Romanian Democratic Action" called for nationwide protests on Sunday [27 December] but the appeal was not supported on a large scale. In the Bucharest subway, in front of a few schools in the capital, and in the Buzau County fliers carrying the slogan "Down with Ceausescu" were distributed.

On house walls, apart from the usual defamatory slogans against Ceausescu, the following questions have recently been noticed: "Mihai, unde esti?" (Mihai, where are you?) and "De ce asteptam?" (Why are we waiting?) [Slogans appear in Romanian with German translation in parentheses].

This refers to Romania's last king, who now, at the age of 66 is exiled in Switzerland. In 1944, when he was barely 23 years old, the monarch had dissolved the disastrous alliance with the Axis powers Italy and Hitler's Germany.

In view of the annoyance and despair prevailing in the country, the Ceausescu regime has decided to apply a bit of mercy: 26 persons who participated in the Brasov unrest on 15 November have received suspended sentences of 6 to 16 months. Twelve directors of the truck works in Brasov where the unrest originated, will now be brought before the court on charges of "illegal wage reductions."

Rigorous actions are still being taken against opponents to the regime. The representative of the "Peasants Party" outlawed in 1974, Ion Puiu, for example, and other dissidents have been arrested. Doina Cornea, a lecturer of French language, has been put under house arrest.

Law on Socioeconomic Council Issued

AU301717 Bucharest SCINTEIA in Romanian
25 Dec 87 p 4

["Law on Setting Up the Supreme Council for Romania's Socioeconomic Development, With the Task of Working Out Long-Term Guidelines and Uniform National Plans for the Country's Socioeconomic Development"; adopted by the Grand National Assembly on 23 December in Bucharest]

[Text] The implementation of targets laid down by the party program on building the comprehensively developed socialist society and ensuring Romania's progress toward communism requires a further improvement of the organization, management, and planning of socioeconomic activity, a profound examination and application of objective economic laws in accordance with specific conditions prevailing in our country, and an increase in the role and responsibility of all bodies of our revolutionary workers democracy.

In this respect, the Supreme Council for Socioeconomic Development [SCSD]—a broadly representative party-state democratic body—will examine basic problems of our national economic development and will work out long-term guidelines for the country's evolution and development.

The SCSD—a collective body for planning the entire activity and running the society on the basis of the uniform national plan—is invested with prerogatives to elaborate socioeconomic development plans and programs, supervise their fulfillment, and resolve key problems of the efforts to increase the forces of production, improve social relations, and promote the comprehensive progress of the Romanian society, thus contributing through its whole activity to implementing the RCP policy of ensuring the continuous flourishing of our socialist fatherland.

In order to regulate the SCSD establishment, role, and duties as well as its organizational and functional principles, the Grand National Assembly [GNA] of the SR of Romania adopts the present law.

Chapter I - General Provisions [subhead]

Article 1—The SCSD of Romania is a party-state body that works out long-term orientations and socioeconomic development plans and programs, improves the economic mechanism, enhances workers self-management and economic-financial self-financing, and takes constant steps to ensure a proportional, harmonious, and dynamic economic growth, with a view to further raising all the people's living standard and quality of life.

Article 2—The SCSD is a deliberative party-state body that establishes measures for the country's long-term and planned development and maps out uniform national plans for socioeconomic development, on the basis of the party program and of directives and resolutions adopted by the congresses, national conferences, and plenums of the party Central Committee; the SCSD acts to:

a) strengthen state and cooperative socialist ownership and, on this basis, further improve relations of production and other social relations; consistently assert and promote the principles of socialist ethics and equity;

b) strongly increase the forces of production; intensively develop the entire economy on the basis of achievements of the scientific-technical revolution; further improve the organization and modernization of productive processes; better use all material and human resources of the country; increase the national income and the wealth of the nation; and improve the living conditions of the working people;

c) ensure the harmonious and proportional development of industry, agriculture, and other economic branches; ensure balanced socialist reproduction of all fields and sectors of the socioeconomic life;

d) rationally deploy the forces of production throughout the territory; raise the development level of all areas and localities; achieve increasingly better working and living conditions for all working people in all counties;

e) ensure our active participation in the international socialist and world division of labor; increase our economic exchanges and their efficiency; expand economic and scientific-technical cooperation; and ensure an active trade and foreign payments balance;

f) rationally distribute the national income to the development and consumption funds, thus blending our nation's present and long-term interests;

g) constantly improve the management and planning of socioeconomic activities; concentrate all the people's efforts along the decisive road of society's material and intellectual progress,

h) achieve full agreement between the growth of the material-technical base and the development of science, education, culture, medicare, and all sectors of the social life;

i) increase the people's material and intellectual well-being and the entire society's level of civilization and culture, the supreme goal of the RCP policy.

Article 3—The SCSD fulfills the part of party-state legislative chamber, with attributes of an economic parliament. To this end, the SCSD does the following: it initiates draft laws in its fields of activity, which it then submits to the GNA approval; it discusses and decides on draft laws on our country's socioeconomic development before they are submitted for enactment; it examines reports presented by managers of central and local bodies of our state administration on the application of the country's laws; it implements our party-state socioeconomic policy and takes decisions to this effect; it adopts, in keeping with existing laws, compulsory decisions for all state bodies and socialist units with duties in its spheres of activity.

Article 4—The SCSD—a broadly representative democratic forum—consists of party-state management cadres, workers from productive units, highly skilled experts, and members of agricultural production cooperatives.

Article 5—In its entire activity, the SCSD acts in close connection with party-state bodies and involves a large number of experts from various socioeconomic fields into its activities.

Chapter II - Basic SCSD Targets and Duties [subhead]

Section 1 On Working Out and Substantiating 5-Year and Annual Plans and the State Budget [subhead]

Article 6—In mapping out long-term guidelines and uniform national plans for socioeconomic development, the SCSD takes steps to:

a) promote the latest achievements of the scientific-technical revolution in all sectors of activity in order to concentrate all efforts on resolving essential problems of our intensive economic growth and rapidly introducing and extending research results into production;

b) steadily develop the socialist industry and further modernize its structure; give priority to developing highly technological branches and subbranches, which use raw materials, energy resources, and social labor with maximum efficiency; turn out products of a high technical and qualitative level and a greater degree of competitiveness, in keeping with foreign market requirements;

c) intensively develop agriculture and better modernize and organize this basic branch of the national economy, in accordance with the targets of the new agrarian

revolution, by implementing the latest achievements of the agricultural and zootechnical science and strengthening the economic-organizational structure of all agricultural units, in order to obtain sure and stable yields under all weather conditions, satisfy domestic consumption requirements, and also ensure reserves for export;

d) rationally administer and use the entire forestry fund; ensure an optimal cycle of growing, exploiting, and using the wood stock; promote intensive and fast growing cultures and other economically valuable species, in order to satisfy national economic requirements and strengthen the role of forests in environmental protection;

e) work out a uniform and efficient concept for hydrographic development schemes; meet the water requirements of the entire economy; use the country's hydropower potential; defend localities, economic units, and agricultural lands against floods; and protect waters against pollution;

f) develop and rationalize transportation and telecommunications in accordance with the requirements of material production and the people, under secure conditions of greater efficiency; achieve a uniform transportation system, within which railways will still hold the main share, while motor transportation will be limited to the strictly necessary;

g) most efficiently use investment funds allocated for the country's socioeconomic development, particularly for expanding the base of raw and energy materials, modernizing the structure of the processing industry, intensively developing agriculture, reducing overall consumption, increasing the degree of use of raw materials, fuel, and energy, increasing labor productivity, cutting down production costs, and raising the technical and qualitative level of products;

h) concentrate our construction potential on priority targets; shorten the completion and commissioning of production capacities; adopt modern and inexpensive solutions; avoid outsize constructions; reduce the share of constructions in the overall investment volume; industrialize construction-assembly operations; and expand mechanization and advanced execution technologies;

i) fulfill the programs on planning the territory and localities; judiciously administer all lands; deploy new constructions in the established radius of towns and villages; and increase the density of constructions and inhabitants in both urban and rural settlements.

j) establishes the size of the material base in keeping with requirements for smoothly developing the productive activity, most efficiently administering resources on the basis of approved standards for consumption and reserves, and increasing the degree of use of reusable material and energy resources;

k) increase foreign economic exchanges and their efficiency; expand scientific-technological cooperation with other states; and ensure Romania's ever more active participation in the international division of labor;

l) strengthen economic efficiency in all sectors; improve the organization and modernization of productive processes; further raise labor productivity; broadly promote technological progress; reduce production costs and judiciously use economic-financial levers; continuously renew production; and intensively and completely use fixed assets;

m) raise the people's incomes in accordance with the development of the material production, with the increase in social labor productivity, and with the dynamics of the national income and the consumption fund; firmly apply remuneration principles according to the quantity, quality, and social importance of the work done; judiciously distribute the labor force per branches of activity, by giving priority to the sectors of decisive importance for the country's socioeconomic progress.

Article 7—The SCSD will take steps to ensure an even financial, monetary, and currency balance of the economy, in close agreement with the material balance, in order to:

a) substantiate the centralized financial plan of the economy—as an integral part of the uniform national plan—in keeping with requirements for ensuring the necessary financial means to fulfill all plan tasks more expediently and for concentrating and using economic resources to ensure the dynamic and harmonious development of all socioeconomic sectors;

b) establish the volume of the state budget in close correlation with the provisions of the uniform national plan and ensure a balance between incomes and expenditures; further enhance economic-financial self-administration; mobilize, distribute, and use the state's monetary resources for achieving an intensive socialist reproduction, promoting the socioeconomic development of all counties and localities, and raising the people's living standard;

c) work out income and expenditure budgets in accordance with the economic plan indicators and with the approved economic-financial regulations, by using with maximum efficiency the resources entrusted to the socialist; further increase monetary accumulation and the profitability of the production process; ensure larger participation of units in setting up funds for society's overall development as well as their own resources for self-financing;

d) substantiate financing plans for socioeconomic activities in accordance with requirements for setting up the circulating capital mainly from the resources of enterprises itself; grant banking credits for temporary production requirements, in accordance with approved regulations; accelerate the speed of the circulating capital;

ensure technical-material supplies in accordance with the production contracted for and with consumption and reserve stock norms; and manufacture products with guaranteed domestic and foreign markets;

e) achieve a balanced monetary circulation; ensure full correlation between incomes and expenditures, by maintaining a price evolution within planned limits; accelerate the circulation speed of money, which is an important element of promoting the country's economic progress and further raising the people's standard of living.

Article 8—The SCSD establishes measures for scientifically substantiating and working out 5-year and annual uniform national plans for socioeconomic development and the state budget; to this end, it does the following:

a) approves plan guidance levels and financial-economic standards for the entire economy, for central departments and ministries, and for branches and regions and takes steps to substantiate these levels and standards and to coordinate the plan proposals of units with the overall options and balance of our national economic development;

b) examines and decides on the 5-year uniform national plan for socioeconomic development, with a view to submitting it for enactment, checks that it reflects the targets established by the party congress directives on socioeconomic development, and sees to it that plan proposals are scientifically substantiated;

c) works out the annual plan, the annual state budget, and the income and expenditure budgets of central departments and ministries, on the basis of the 5-year plan tasks for the respective year and by taking into account the newly created resources, other opportunities for better using material resources and manpower, the evolution of demand on domestic and foreign markets, and other factors that may require an adjustment of initial provisions; concurrently with the elaboration of annual plans, the SCSD also brings up to date tasks included in special programs;

d) examines and decides on proposals for the annual draft plan—with a view to submitting it to the approval of the State Council—at least 6 months before the start of the plan execution;

e) examines and decides on the annual draft uniform national plan for socioeconomic development and the state budget before they are submitted to the GNA enactment, in accordance with the provisions of the law.

Article 9—The SCSD submits to the GNA its co-report on the uniform national plan and on the state budget as well as on the execution of the previous year's plan and on the concluding general balance sheet of the previous budgetary period, which are submitted to the GNA for adoption by the Council of Ministers.

Likewise, the Supreme Council adopts communiques on the fulfillment of 5-year and annual plans and on the balance sheet of socioeconomic development in the previous year and establishes measures for improving activities in all spheres of the national economy.

Section 2 - On Ensuring the Execution of Provisions of the Uniform National Plan and the State Budget [subhead]

Article 10—In order to firmly execute the provisions of the uniform national plan for socioeconomic development and the state budget, the SCSD does the following:

a) works out quarterly plans laid out per months and 10-day periods and correlates them with provisions of the state budget, of the income and expenditure budgets, and of the financing plans, in order to ensure a smooth development of activities and achieve constant material, financial, and currency balance in our socioeconomic development, in keeping with requirements for the exact fulfillment of annual plan tasks.

The elaboration of quarterly, monthly, and 10-day plans as well as the appropriate adjustment of income and expenditure budgets and of financing plans is done by central departments together with the State Planning Committee, the Ministry of Finance, the Ministry of Technical-Material Supply and Control of Management of Fixed Assets, the Ministry of Foreign Trade and International Economic Cooperation, other ministries, and the bureaus or executive committees of people's councils;

b) approves provisions for quarterly, monthly, and 10-day plans, including the financial indicators of the financing plans, at the proposal of the Council of Ministers; sees to it that the respective plans include the necessary tasks for item-specified products, the appropriate value indicators, and the necessary financial resources for a smooth development of activities.

Article 11—On the basis of reports presented to the Council of Ministers, the SCSD will monthly examine: the fulfillment of item-specified, value, and production plan tasks as well as their destination; the observation of economic contracts for domestic and foreign markets; the implementation of the foreign trade plan and foreign payments balance; the fulfillment of consumption and reserve stock norms for major raw and other materials as well as of other economic-financial standards; the implementation of the energy program and the technical-material supply plan; the execution of the investment plan for commissioning new capacities at planned parameters; the introduction into production of new products and technology; the expansion of scientific research and of application of technological progress; the use of machines, installations, and productive areas; the

implementation of provisions of the income and expenditure budgets and the achievement of economic efficiency indicators; and the realization of the people's incomes and of goods and services for the people.

On the basis of this examination, the SCSD will take steps to introduce existing reserves in the economic flow and most efficiently administer material, labor, and financial resources, with a view to smoothly and fully fulfilling the uniform national plan and maintaining the dynamism and balance of our economy.

Section 3 - On Working Out Long-Term Guidelines for Socioeconomic Development [subhead]

Article 12—With a view to elaborating long-term guidelines for our socioeconomic development, in keeping with tasks included in the party program, the SCSD does the following:

a) works out forecasts for the entire economy that outline, in a uniform concept, the country's long-term socioeconomic development, in accordance with the achievements of modern science and technology and with the goals of building the comprehensively developed socialist society and communism.

b) guides and coordinates the activity of ministries, other central bodies, local bodies, scientific research and technological engineering units, and educational institutions aimed at working out long-term forecasts and programs per branches, subbranches, and products at the local level;

c) brings up to date long-term forecasts and programs, in keeping with requirements of the country's socioeconomic development, with shifts that occur in the economy, and with the scientific-technical progress at the world level;

d) adopts decisions on organizing and developing the forecasting activity at all organizational levels.

Article 13—The SCSD will see to it that the long-term guidelines and special programs provide for socioeconomic measures that ensure demographic dynamism, a continuous population growth—which is a basic element of our national potential—and an appropriate ratio between the active and overall population.

At the same time, the SCSD will take the necessary steps to guide our educational plans and programs toward: further raising the training and educational level of youth; fashioning the new generations of workers, technicians, engineers, and other experts, on the basis of achievements of the scientific-technical revolution and in direct connection with national economic requirements; and further improving the skills of all categories of working people, within the framework of their professional training for reassignment.

Article 14—The supreme goal of the entire policy of planned socioeconomic development is: to steadily increase the standard of living and level of civilization of all our country's citizens; to consistently base social relations on the principles of socialist equity; and to ensure the flourishing and full assertion of the human personality. In order to attain this fundamental goal, the SCSD will act to:

a) correlate the volume and structure of commodity sales with the people's incomes and the demand of various categories of consumers; consistently implement the principles of regional self-sufficiency; and develop and modernize the trade network;

b) further improve and develop public services, extend their range, and improve their quality, in accordance with public requirements; expand tourism, by ensuring ever better rest recreation conditions for the working people;

c) develop the material base of education, culture, medicare, social assistance, physical education, and sports;

d) fulfill the housing program, by taking into consideration existing planning programs for towns and villages and the characteristics of each area and locality;

e) protect the environment against pollution and decay; preserve the assets of nature; and ensure propitious living conditions for the whole nation.

Likewise, in the activity of planning the localities and territory, the SCSD will aim at: ensuring a planned socioeconomic development of towns and communes, in accordance with the country's overall progress; turning certain rural localities with development prospects into urban centers; expanding all socioeconomic and cultural activity of communes and villages; and gradually approximating living conditions in villages and towns.

Section 4 - On Improving the Economic-Financial Mechanism [subhead]

Article 15—The SCSD makes comprehensive analyses and adopts measures to further improve the planned management of the socioeconomic life, the remuneration of labor, the system of prices, the financial-banking system, and the entire economic-financial mechanism, with a view to consistently applying the principles of workers self-management and economic-financial self-administration and self-financing.

Article 16—On the basis of analyses performed by the Council of Ministers, the SCSD takes steps to:

a) organically blend workers self-management and enterprise self-financing with the uniform management of all socioeconomic life on the basis of the uniform national plan by consistently applying our democratic centralism;

b) further improve planning by thoroughly substantiating the plans for branches, regions, and departments, by including the proposals of basic economic units in our overall socioeconomic development options, and by blending the current and long-term planning activities; work out and scientifically substantiate economic-financial norms and regulations;

c) organize the socioeconomic activity in keeping with requirements for most efficiently running the productive process in each economic development stage; ensure all conditions so that central departments and their units can fully carry out their duties and responsibilities in working out, substantiating, and implementing plans and in leading all activity;

d) improve the system of labor remuneration, by firmly applying the socialist principle of distribution in accordance with the quantity, quality, and social importance of the work done; closely link the working people's incomes to the fulfillment of the production plan and exports and the fulfillment of tasks on reducing raw material, fuel, and energy consumption, increasing labor productivity, raising the quality of products, and increasing economic efficiency; implement the remuneration forms of the overall contract system and the peace-work system, in order to give incentives to the working personnel to fulfill and overfulfill plan tasks;

e) use the system of prices as an active instrument of fulfilling the provisions of the uniform national plan and strengthening economic-financial self-administration; ensure that the prices exactly reflect social production costs; strengthen the role of prices in stimulating intensive economic growth, reducing production and circulation costs, raising the quality of products, ensuring a balanced monetary circulation, and raising the living standard!

f) further improve the financial and credit system so that it can make a greater contribution to more efficiently administering all resources entrusted by society to the socialist units for administration, mobilizing all reserves, reducing production costs, particularly material expenditures, accelerating the speed of the circulating capital, raising the profitability of products, and enhancing order and discipline in all sectors of activity;

g) improve the system of socioeconomic information, by ensuring the availability of appropriate information at all organizational levels—in order to efficiently run activities and work out and substantiate plan tasks—and by adopting the necessary measures for fulfilling all tasks.

Chapter III - Organization and Functioning [subhead]

Article 17—The SCSD consists of:

a) party-state management cadres;

b) members of the leadership councils and executive bureaus of the following bodies:

—The National Council of Working People;

—The National Council for Agriculture, Food Industry, Forestry, and Water Management;

—The National Council for Science and Education;

—The Central Council of Workers' Control of Socioeconomic Activity;

—The Council for Socioeconomic Organization;

—The Higher Court for Financial Control;

—The Council for Socialist Culture and Education;

—The Higher Health Council;

—The Committee for Problems of People's Councils;

—The Central Council of the General Union of Romanian Trade Unions;

—The National Council of Women;

—The Central Committee of the Union of Communist Youth;

—The National Union of Agricultural Production Cooperatives;

—The Central Union of Artisan Cooperatives;

—The Central Union of Cooperatives for the Production, Purchasing, and Sale of Goods;

c) members of the executive bureaus and leadership councils of the following ministries and other central bodies:

—The State Planning Committee;

—The Ministry of Finance;

—The Ministry of Technical-Material Supply and Control of Management of Fixed Assets;

—The Ministry of Electric Power;

—The Ministry of Mines;

—The Ministry of Petroleum;

—The Central Department of Geology;

—The Ministry of Metallurgical Industry;

—The Ministry of Heavy Equipment Industry;

—The Ministry of Machine Building Industry;

—The Ministry of Electrical Engineering Industry;

—The Ministry of Chemical and Petrochemical Industry;

—The Ministry of Industrial Construction;

—The Ministry of Wood Industry and Construction Materials;

—The Ministry of Transportation and Telecommunications;

—The Ministry of Foreign Trade and International Economic Cooperation;

—The Ministry of Light Industry;

—The Ministry of Domestic Trade;

—The Ministry of Tourism;

—The State Committee for Prices;

—The State Committee for Nuclear Energy;

—The Ministry of Labor;

—The Ministry of Justice;

—The Central Directorate of Statistics;

—The Central Institute for Economic Research;

d) 50 workers appointed by the National Council of Working People from among its members;

e) 30 members of agricultural production cooperatives and workers from state agricultural enterprises and agricultural mechanization stations appointed by the National Council for Agriculture, Food Industry, Forestry, and Water Management from among its members;

f) 25 intellectuals appointed by the National Council for Science and Education.

The SCSD members envisaged by paragraphs d) through f) are appointed for a period of 5 years; they can be revoked before the expiry of this time at the proposal of the bodies that designated them.

In its first meeting, the SCSD decides the validation of the Supreme Council's establishment in accordance with the present article.

Article 18—The president of the SR of Romania is chairman of the SCSD.

The SCSD leadership also consists of three first vice chairmen and several vice chairmen and secretaries.

The positions of first vice chairmen are taken by the prime minister of the government, the chairman of the National Council for Science and Education, and the chairman of the Planning and Forecast Section of the SCSD.

Article 19—The SCSD Standing Bureau runs all activity in the interval between the SCSD sessions.

The SCSD Standing Bureau takes steps to: substantiate, work out, and finalize socioeconomic development plans and the state budget; establish quarterly plans; perfect the economic-financial mechanism; enhance self-management and self-administration; and fulfill other SCSD duties during its sessions.

Article 20. The SCSD chairman is also chairman of the SCSD Standing Bureau.

The SCSD Standing Bureau also consists of the SCSD first vice chairmen and other vice chairmen, the chairmen of the leadership councils or executive bureaus of the bodies represented in the SCSD, as well as the chairmen and secretaries of SCSD specialized sections.

Article 21—The SCSD carries out its activity in plenary sessions and sessions per specialized sections, in the presence of at least two thirds of its members.

Article 22—The SCSD is convened in plenary sessions twice a year or more, if the need arises, at the initiative of the Standing Bureau or at the request of at least a third of its members.

The SCSD works out and discusses draft laws and adopts decisions—by open vote—with the majority of the vote of its members.

Article 23—The SCSD specialized sections are:

a) Section for Raw Materials, Fuel, and Energy;

b) Section for the Metallurgical and Machine Building Industry;

c) Section for the Chemical and Light Industry;

d) Section for Industrial Construction, Construction Materials, and Wood Industry;

e) Section for Transportation and Telecommunications;

f) Section for Foreign Economic Relations and International Cooperation;

g) Section for Consumer Goods and the Standard of Living;

h) Financial Section;

i) Section for Planning and Forecasts.

The following bodies also fulfill the duties of SCSD specialized bodies:

a) The National Council for Science and Education;

b) The National Council for Agriculture, Food Industry, Forestry, and Water Management;

c) The Council for Socialist Culture and Education;

d) The Higher Health Council;

f) The Committee for Problems of People's Councils;

The SCSD can also organize other specialized sections, to the extent that they become necessary.

Article 24—The specialized SCSD sections are made up of members of the executive bureaus of working people's councils, of members of the executive bureaus of economic ministries and coordinating central bodies, and of workers and members of agricultural production cooperatives, according to the nature of each section and the need to ensure the participation of all responsible cadres in examining and discussing socioeconomic problems. The composition of the specialized sections is approved by the SCSD plenary session.

Each section elects, from among its members, a chairman, the vice chairmen, and a secretary, who together form the bureau of the respective section.

The position of section secretary is fulfilled by a vice chairman of the State Planning Committee.

Article 25—The specialized sections work in sessions held during and in the interval between SCSD meetings.

Article 26—The specialized sections participate directly in working out long-term programs, uniform national plans, and draft laws for their respective spheres of activity and in supervising the implementation of plan tasks and establishing measures for their integral fulfillment; the sections will also fulfill any other tasks laid down by the SCSD or its Standing Bureau; all conclusions drawn from discussions are to be submitted to the SCSD Standing Bureau.

Article 27—In function of requirements, the SCSD and its sections can set up temporary working commissions—consisting of its members and of experts that do not belong to the SCSD—in order to examine certain problems.

Article 28—The SCSD and its sections will involve our research and educational institutes as well as experts from various fields of socioeconomic activity in its efforts to fulfill all tasks.

Article 29—The SCSD Secretariat is provided by the State Planning Committee.

Chapter IV - Final Provisions [subhead]

Article 30—The Central Institute for Economic Research and the Economic Review are subordinated to the SCSD.

Article 31—The Law No 1/1973 on the SCSD of Romania—with the modifications and supplements included in Law No 4/1982, published in the Official Bulletin of the SR of Romania Part I No 104 of 20 November 1982—is abrogated.

Ceausescu Gives Speech to SDUF Plenum

AU242019 Bucharest SCINTEIA in Romanian 22 Dec 87 pp 1, 3

["Speech by Comrade Nicolae Ceausescu," RCP secretary general, president of the SR of Romania, and chairman of the Socialist Democracy and Unity Front, at the plenary meeting of the National Council of the Socialist Democracy and Unity Front, in Bucharest on 21 December]

[Text] Esteemed comrades and friends,

The plenary meeting of the National Council of the Socialist Democracy and Unity Front [SDUF] has discussed and unanimously adopted the 1988 socioeconomic development plans for industry, agriculture, and other sectors of activity as well as next year's budget and the program of self-management and self-sufficiency.

As it was correctly emphasized during the meeting's discussions, this year we obtained new and important achievements in our fatherland's development. I would particularly like to mention the important results attained in agriculture—in the sphere of grain and other products—which led to the achievement of a grain production of more than 31 million tonnes, the largest production ever. However, we hope to exceed this figure next year.

The national income and other important plan indicators have grown. In spite of all this—as I have specified in greater detail at the Party National Conference—the overall targets of this year's plan have not been integrally fulfilled; many units and sectors of activity owe society important quantities of products that have not been achieved. This means that we should take all necessary steps to ensure that next year we will integrally fulfill the provisions of the plan adopted a short while ago. Let us

not forget that we have a 5-year plan, which we must also fully implement. Therefore, we must recover some of this year's lags next year, so as to commendably fulfill the entire 5-year plan.

At the national conference, I dealt in detail with the targets for 1988 and the entire 1986-90 5-year plan; hence, I do not wish to dwell upon them now. As a matter of fact you have studied the plan and are familiar with its provisions. I do not wish to dwell on the budget indicators either, as they appropriately reflect the provisions of the socioeconomic development plan and ensure the necessary financial means to promote our socioeconomic development and raise the people's material and intellectual living standard.

Now, it is decisive to proceed with the practical work for commendably fulfilling the plan targets. There are only 10 days left in this year, which is not much, but also not little. In these 10 days, we must work to conclude this year's plan with ever better results in all sectors and to thoroughly fulfill the plan for next year.

We have everything we need to ensure an appropriate technical-material base in keeping with existing consumption norms. We must resolutely work to properly use this technical-material base—by strictly observing energy and material consumption norms—and to recover and reuse materials and subassemblies, so that no sector may face any more hardships with regard to the proper supply of all units and the commendable fulfillment of all plan provisions!

At this plenary meeting, I reiterate the need to do everything to fulfill our energy and raw materials programs, raise labor productivity, and reduce overall material expenditures and production costs, so as to further increase economic efficiency and profitability in all fields and to strictly apply self-management, self-administration, and self-financing in all socioeconomic units. We must ensure that our democratic system of running socioeconomic activities can function expediently and that all bodies of our revolutionary workers democracy, at all levels, are resolutely fulfilling their decisive roles in implementing the fatherland's development programs!

At the plenary meeting of the SDUF national Council, I would like to stress the need to commendably carry out our international activity of promoting economic and scientific-technical cooperation and implementing all established agreements within CEMA as well as with other socialist countries, with the developing countries, and with the developed capitalist countries, hence, with all states, regardless of their social system.

International economic cooperation is a vital requirement for commendably developing all socioeconomic activity and implementing the programs to raise our fatherland to new heights of progress and civilization. In this respect, we will have to pay particular attention to the export production and execution!

As a general conclusion for our entire activity, in order to fulfill all socioeconomic development plans and programs, we must primarily concern ourselves with increasing the overall technical and qualitative level and strongly asserting the achievements of modern science in all national economic fields!

We must constantly bear in mind that, only by firmly implementing the latest achievements of the scientific-technological revolution, will we be able to further raise our fatherland to new peaks of progress and civilization, ensure the victory of socialism and communism, and increase the general well-being of our nation! (Loud applause and cheers; prolonged chants: "Ceausescu-Romania, Our Esteem and Pride!")

Esteemed comrades and friends,

The program on self-management and self-sufficiency—which we unanimously adopted and which will be submitted for the approval of the Grand National Assembly—provides for the necessary means to ensure proper supplies of everything required by the people. You have studied this program. These are important provisions! We must practically ensure next year an average meat consumption of about 70 kg per capita and—as we prepare from this quantity of meat various processed and canned foodstuffs—the overall quantity will actually grow by several kilograms.

We have ensured the adequate number of livestock for this program and a slaughtering weight that is not too high: 400 kg for cattle, 100 kg for pigs, and about 30 kg for sheep. These provisions are certainly not too high. However, it is vital that all units from all counties should take steps to ensure at least the slaughtering weight established for each breed. We have a fodder base, including fodder concentrates, in keeping with our norms, which are generally 15-20 percent higher than consumption standards in other countries. Therefore, all conditions exist to fully achieve existing provisions for fattening and raising all breeds of animals at the established weight.

As you could see, we proceeded to implement the provisions for each county's self-sufficiency. We have established the necessary number of livestock for each county, in keeping with the number of people that must be supplied from the central stocks, something that will take care of the entire supply problem. Each county must take all the necessary steps to properly administer and use this material base, in order to ensure its self-sufficiency. The same applies to other products as well. With the livestock quantities slaughtered by the people—I am particularly referring to pigs, sheep, and poultry, where there are no limits for the numbers that can be slaughtered—we will actually exceed the figure of 70 kg meat per capita, as far as the overall population is concerned.

In view of the fact that the village people are selling part of their meat surplus in the cities, the 70 kg consumption will be higher countrywide. But I repeat, all state and cooperative units, all citizens raising animals, and the party-state bodies, the people's councils—including the SDUF county councils—and the communal councils must now take steps to expediently fulfill this program. I did not dwell on other problems because, on the basis of the production attained, we have secured a good overall supply.

Of course, next spring we will have to fulfill our vegetable provisions. Through the measures adopted by the Ministry of Agriculture, we would like to be able to sell a higher quantity of vegetables beginning with the month of April, thus improving the overall structure of staples for the people!

Aside from the state funds, we also have large quantities of grain in the possession of cooperative workers and peasants from noncooperativized areas. We are talking about some 12 million tonnes of grain, which—if we consider the population in villages—amounts to more than one and a half tonnes per capita. This also includes some 200 kg wheat per capita. Therefore, we have all the necessary grain to ensure a good supply. I mention this because I want to emphasize that our self-sufficiency program is not based on wishes, but rather on the material base available to us. However, we must properly administer it in order to ensure good supplies that are up to the level of optimal requirements. Generally speaking, our medical science should concern itself with these problems and we should establish rational organization and nutrition, in order to avoid excesses! Generally speaking, as far as our nutrition is concerned, we are already consuming too much. I state this because, aside from the measures to fully implement the provisions of the overall plan and of the self-sufficiency program, we should also think of a more rational and scientific nourishment from all viewpoints.

I am not referring to industrial products, because they fully ensure a good supply. We even have excessive stockpiles in this respect, which is unfortunate and certainly not in accordance with the spirit of economic efficiency. We have established measures to remedy this situation. However, I do not wish to dwell upon this now.

In all these fields of activity—beginning with industry, agriculture, and other sectors and with the program of self-sufficiency and self-management—the SDUF member organizations must firmly work to commendably fulfill the provisions for next year!

The SDUF practically comprises all our fatherland's citizens and all social and public organizations that constitute the Romanian socialist society of today. Everybody joined the SDUF with the determination to contribute to fulfilling all programs on our fatherland's development and implementing the targets established by the party program to build the comprehensively developed socialist society and ensure our progress toward a superior society, toward communism.

In this spirit, we are duty bound to do all we can to further develop and strengthen the technical-material base of our society and create the best conditions for promoting the country's overall development and continuously raising the people's material and intellectual standard of living. Only then will we truly do our duty for the people and fatherland, the duty of citizens of a nation which, for centuries on end and for more than 2,000 years, has struggled for free and independent development! We must do our best to contribute to Romania's further success! (Loud and prolonged applause and cheers)

We can discuss all problems within the organizations of our socialist democracy and unity. We can and must openly speak our minds on all problems concerning the development of our fatherland—in the communes, enterprises, institutions, and counties up to the SDUF National Council.

We must thoroughly discuss all problems and the ways and means to improve activities and rectify mistakes! We must examine and eliminate shortcomings and must discuss ways and means to perfect our entire activity. However, all this must be done by adopting a responsible stance as citizens of a free and independent country; we must bear in mind the need to contribute, through our activity, to strengthening the unity of the whole nation and continuously enhancing solidarity among all our fatherland's citizens, regardless of nationality! At the Party National Conference we discussed our current shortcomings and problems in detail. I do not wish to dwell upon them now. However, and I repeat this—in order to eliminate them, improve our work, and develop the revolutionary workers democracy, which is the decisive element of our fatherland's activity—we must act together, by adopting a responsible stance, to contribute to the commendable development of the entire activity and to ensure that each man at his working place does his bit for promoting Romania's progress and for strengthening the independence and sovereignty of our fatherland! (Loud applause and cheers; prolonged chants: "Ceausescu and the People!")

Esteemed comrades and friends,

At the Party National Conference we discussed international problems in detail, hence I do not wish to refer to them now. However, I would just like to mention that all SDUF organizations must become fully involved in the implementation of our policy of peace, disarmament, and cooperation with all states, regardless of their social system.

The fulfillment of our socioeconomic development goals, like the achievement of similar goals by all the world's nations, can only be achieved under conditions

of peace and cooperation! Therefore, in the spirit of our overall policy and of our nation's traditions, we must consistently conduct a policy of peace and cooperation and must do all we can to further make an ever stronger contribution to bringing about disarmament, completely eliminating nuclear weapons, creating a united Europe in the diversity of its social systems, and building a better and more just world on our planet! (Loud and prolonged applause and cheers; long chants: "Ceausescu-Peace!" and "Disarmament-Peace!")

In a few days we will mark the 40th anniversary of abolishing the monarchy, which has been a foreign body in our nation and people since its establishment. We will celebrate the 40th anniversary of the proclamation of the Republic, which has always been the goal of the most advanced representatives of our nation. Let us celebrate this anniversary with ever better results in all fields and with the firm commitment to work better next year in all fields of activity.

We are also on the eve of the New Year. Let us welcome the New Year with increasingly better results, so that the year 1987, which is coming to its end, will not remonstrate with us too much for the way in which we performed our tasks. Let us step into the new year with the firm determination to improve our work in all fields of activity!

In this context, I would like to conclude my speech by wishing all members of the SDUF National Council and all our people ever greater successes in all spheres of activity, increasingly better results in the new year, and A Happy New Year!

Much health and happiness, comrades!

(Loud and prolonged applause and cheers; long chants: "Ceausescu-RCP!," "Ceausescu and the People!," and "Ceausescu, A Happy New Year!" In an atmosphere of great enthusiasm and unity around the party, all those present in the hall stand up and cheer prolongedly for the RCP, the leading political force of our socialist nation, and for Comrade Nicolae Ceausescu, RCP secretary general, president of the country, and chairman of the SDUF.)

Mikulic Admitted to Hospital With High Fever

LD301650 Belgrade TANJUG Domestic Service in Serbo-Croatian 1635 GMT 30 Dec 87

[Text] Belgrade, 30 Dec (TANJUG)—Today Branko Mikulic, president of the Federal Executive Council, was admitted to the Military Medical Academy in Belgrade with a high fever. Following a decision by a doctors' committee, he is being kept in for tests and treatment.

Presidium Appeals for Rapid Assembly Approval

LD310136 Belgrade Tanjug Domestic Service in Serbo-Croatian 2109 GMT 30 Dec 87

[Text] Belgrade, 30 Dec (TANJUG)—At the session on 30 December 1987, presided over by Bosko Krunic, the LCY Central Committee Presidium examined the current political situation in connection with the difficulties in coordinating the stands of the republics and provinces with regard to adopting the resolution on the socioeconomic development in 1988, the federal budget, and other planning documents.

The Presidium—as announced today—faced with the fact that the adopting of the resolution and other documents in the SFRY Assembly has encountered serious difficulties, noted that this year again, despite efforts, the well-known shortcomings in the activity of the participants in the delegate system have not been overcome and noted that there were pressures, stipulations, and insufficient responsibility for the joint interests, readiness for mutual agreements, and necessary efforts to prevent the passing of emergency measures. Any longer period of emergency measures passed in keeping with the Constitution would have a very unfavorable impact, especially on organizations of associated labor, who will not have fixed terms of economic activity. At the same time, there can be a deceleration in implementing the complete program of measures and social activities for curbing inflation and stabilizing the economy, and consequently an exacerbation of the economic and political situation in the country as a whole. For this reason, the Presidium draws attention to the vital need to reduce to a minimum the duration of the emergency measures and for coordinating the documents on the policy of socioeconomic development in 1988 during January 1988.

The Presidium stresses that it is the duty of Communists in the SFRY Assembly, the assemblies of the socialist republics and the socialist autonomous provinces and other organs in the federation, republics, and provinces—within the framework of the delegate system and proceeding from the need for the efficient functioning of all the institutions and systems and the carrying out of economic activity and full responsibility for joint interests in the federation—to coordinate stands and ensure the adoption of all the planning documents.

The LCY Central Committee Presidium asks the Communists to fight most vigorously and to succeed in their development documents for 1988 in the consistent realization of the orientations of the 13th LCY Congress and the long-term program of economic stabilization, as well as of the conclusions of the 11th LCY Central Committee. The Presidium decided to carry out an all-embracing analysis and assessment in January 1988 of ideopolitical questions in connection with the passing of planning documents for 1988 and the tasks of communists related to overcoming the present difficulties, and to brief the LCY Central Committee on the above.

Temporary Financing Adopted

LD301949 Belgrade TANJUG Domestic Service in Serbo-Croatian 1833 GMT 30 Dec 87

[Text] Belgrade, 30 Dec (TANJUG)—This evening the Federal Chamber of the SFRY Assembly adopted a law on temporary financing of the needs of the federation, because views on the resolution on socioeconomic development were not harmonized and there was no agreement on the proposed federal budget for the next year.

Until the budget is adopted, the needs of the federation will be financed up to the amount set in the budget for this year.

More on Interim Financing Arrangement

LD310151 Belgrade TANJUG in English 0105 GMT 31 Dec 87

[Excerpts] Belgrade, Dec 30 (TANJUG)—The Federal Chamber of the Yugoslav Assembly this evening approved a legislation on interim financing of the federation since the republics and provinces did not reach agreement on the country's economic resolution and federal budget for next year.

The debate on the 1988 economic resolution, without which the budget cannot be adopted, will resume immediately after the New Year holidays. Until the document is approved, provisions set out in the country's medium-term economic development plan by 1990 will be in force.

The bill on interim (monthly) financing was proposed by the federal government, which also planned a 5,769.8 billion-dinar (4.5-billion-dollar) budget for 1988. This was the first time such measure was adopted since the republics and provinces are deciding on the federal budget by consensus.

The Assembly adopted interim financing for the federation because the Republic of Slovenia did not approve the 1988 economic development resolution and the Republic of Croatia said that the proposed increase of 87.1 percent on this year's budget was too high.

Slovenia maintains that the resolution is not based on realistic assessments, while Croatia accepts a 80-percent increase in the budget, which is equivalent to the estimated rate of inflation in 1988.

Since Croatia did not approve a proposal to revise this year's budget in October this year, the draft was for the first time adopted by a majority of votes, and not be consensus. [passage omitted]

Interim financing implies that allocations for the federation be made on a monthly basis, in accordance with this year's budget of slightly over 3,000 billion dinars, until the federal budget is approved.

Proposing the 1988 budget of 5,769.8 billion dinars, the government said that federal expenses would be subject to strict austerity measures. The draft budget would be equivalent to 6.5 percent of the country's social product and below the figure set out in the current five-year plan. About 3,840 billion dinars, or 66.6 percent of the budget, would go on the Yugoslav People's Army. This would be a five-percent cut in defence expenditures for the second consecutive year.

Development Policy Not Adopted

LD302215 Belgrade TANJUG Domestic Service in Serbo-Croatian 2109 GMT 30 Dec 87

[Text] Belgrade, 30 Dec (TANJUG)—By the end of the coordination procedure, the delegation of the republics and provinces failed to adopt uniform stands on the development policy for next year and so this evening the Chamber of the Republics and Provinces did not even include either the resolution for 1988 or a number of accompanying documents in the agenda. It was agreed that the coordination procedure be continued in January, in order to define the development policy for the following year as soon as possible. The provisions contained in the medium-term plan of the country's development up to the year 1990 will be in effect until the resolution is adopted.

New Year's Message From SFRY Presidency

LD301635 Belgrade TANJUG Domestic Service in Serbo-Croatian 1103 GMT 30 Dec 87

["New Year's Message from the SFRY Presidency"—TANJUG headline]

[Text] Belgrade, 30 Dec (TANJUG)—We are entering the New Year of 1988 with the expectations and the demand of the working people and citizens of our country for the stabilization of economic and political conditions, the curbing of inflation, the boosting of economic growth—above all in production and exports—and a halt in the fall of standards of living. This can be achieved if we ensure a high degree of unity, responsibility, and organization and if we unite all the forces of society in the struggle for the successful realization of these common interests of the working class and of all working people and citizens, nations, and nationalities of our country. Every practical move in economic and development policy and specific undertakings in all organizations of associated labor and in every sociopolitical community must be subordinated to this goal. Specific results in the realization of these tasks must be the basic measure of the ability and responsibility of all state, political, and self-managing organs and organizations and every individual, and an essential condition for strengthening the confidence of the people in the vitality of our sociopolitical system and our policy.

At the same time, it is essential to strengthen further democratization in society on the basis of socialist self-management, which should be given fresh impetus by the constitutional changes and effective action for the consistent application of adopted solutions. We find ourselves facing a new test of responsibility, to strengthen and speed up, through resolute practical action and effective measures, the processes of democratization of social relations, and the overcoming of the causes which give rise to and nourish bureaucratism and etatism is the most important and prominent task in this respect. Reliance on the broad initiative and creative activity of the working people and citizens and on the more intensive democratization of the process of decisionmaking at all levels, based on the widest participation of the people in this process, is the fundamental path that leads to the democratization of society and to its self-managing socialist development.

It is our duty in 1988 to unite our action in the struggle for the strengthening of the Yugoslav federation and its cohesion on the bases of socialist self-management and equality of its nations and nationalities, to struggle unitedly and without concessions against all forms of nationalism, against national divisions and isolation, reaffirming the great achievement of our national liberation struggle—the brotherhood and unity of all nations and nationalities as the greatest and most firm guarantee of our freedom, independence, and a brighter future.

In the coming year we will make constant efforts, as we have up to now, to strengthen peace in the world, for disarmament, for greater confidence, for the strengthening of equitable cooperation between all nations and states, for the democratization of international political relations.

Weighed down by the burden of the economic crisis and political instability, and precisely because of this, we must and can find the strength for a way out of the economic crisis, for the opening up of positive processes, for a new positive stage in the economic and general social development of our country.

The Presidency of the SFRY greets all the working people and citizens of our country and wishes them a happy and successful New Year.

Mikulic Meets Executive Council Presidents

LD242354 Belgrade TANJUG Domestic Service in Serbo-Croatian 1820 GMT 24 Dec 87

[Text] Belgrade, 24 Dec (TANJUG)—At a consultative meeting FEC President Branko Mikulic held with the presidents of the executive councils of the socialist republics and the socialist autonomous provinces, views were exchanged on open questions concerning the passing of a resolution on socioeconomic development policy and other accompanying documents for next year (budget, etc), in which connection stands currently are being coordinated in the SFRY Assembly.

As announced by the federal secretariat for information, an analysis also was carried out at today's meeting of the measures and activities to further develop the country's economic system, as well as the more efficient implementation of the Anti-Inflation Program.

Mojsov Sends Message to Armed Forces

AU291528 Belgrade POLITIKA in Serbo-Croatian 22 Dec 87 p 1

[TANJUG report]

[Text] On the occasion of 22 December, the Yugoslav People's Army Day, Lazar Mojsov, president of the SFRY Presidency, sent the following message to members of the Armed Forces of the SFRY:

"Comrade soldiers, sailors, cadets, officers, and civilian personnel in the service of the Armed Forces,

"On behalf of the SFRY Presidency I congratulate you on the occasion of the Yugoslav People's Army Day, 22 December.

"Our society is facing the task of resolutely solving the great problems in its further development and in the removal of obstacles on the way to realizing Tito's vision of a unified and strong Yugoslavia, a community of equal peoples and nationalities. The Armed Forces and each one of its individual members have a prominent role and significance in the battle still being fought by the organized socialist forces led by the LC and all working people and citizens, with a view to removing the causes of economic and other difficulties.

"Having grown from the people in the war for national liberation and the socialist revolution, the Armed Forces represent a significant factor in the building and cohesion of our socialist community. Being professionally trained, morally and politically united, and connected with the people, you will best contribute to the consolidation of the defense capability and stability of our society through a further strengthening of all-people's defense and social self-protection.

"I wish you new successes in your work."

Kosovo Council Examines Constitutional Changes

AU301652 Pristina RILINDJA in Albanian 24 Dec 87 p 1-2

[Ramadan Bislimi and Ruzhdi Demiri report on meeting of the Council of the Socialist Autonomous Province of Kosovo in Pristina on 23 December: "Constitutional Changes—Without Politicization"]

[Excerpt] [Passage omitted] Svetislav Dolasevic, president of the Kosovo Council, began by briefing those present on the activity that has been carried out in connection with the changes in the SFRY Constitution, and stressed that these changes are principled solutions, and that the basis of the 1974 Constitution cannot be affected. The changes aim to develop more quickly and strengthen socialist self-management. He went on to dwell upon the changes in the Constitution of the SR of Serbia, and specifically upon the proposal of the SR of Serbia Presidium for changes in the Constitution.

The Provinces Are Not Attempting To Become States [subhead]

Many analyses have been carried out, the actual situation of the rights and duties of specific bodies has been assessed, and the most suitable solutions have been explored, with the aim of expressing the integrity of the republic as a state, while at the same time not imperilling or restricting in the least the autonomy of the provinces as broad sociopolitical communities. Dolasevic added that many efforts have been made to cope with different viewpoints, of which there were many more at the outset, and this has enabled most issues to be settled. There have been cases, in the course of attaining harmony on all the issues, where the provinces have been blamed for supposedly wishing to become states, but it is well-known that there are no such tendencies in Kosovo, just as it is well-known that we are a sociopolitical community of a definite kind. The slogan "Kosovo—Republic" was not produced by the sociopolitical bodies of the province, but by Albanian nationalists and irredentists, and it has been denounced by the masses of Kosovo as a hostile slogan.

The provincial assemblies are giving their opinion about some sections of the Constitution of the SR of Serbia, and they must give their agreement to some others. We have stated that we are in favor of the majority of the changes. We have also given our agreement to changes in many matters involving the Constitution of the SR of Serbia, such as cooperation among the assemblies and various organs, the use of the anthem and the coat of arms, the official use of the Serbo-Croatian language and the languages of the peoples and nationalities, and so on. At the same time, we have given our partial agreement to some other matters. We have agreed that the basis of the plan, but not development questions, should be decided at republican level. We have not agreed to a part of Item 15, which concerns the organization, planning, and development of the system of general people's defense in

the republic; state security, which is the right and responsibility of the republics and the provinces; and the competence of the Presidency of the SR of Serbia in matters concerning the penal and legal protection of citizens, development planning, area planning, etc. Communality [perbashkesia] within the SR of Serbia cannot be achieved by centralizing power in the republic, Dolasevic added. The question of constitutional changes in the SR of Serbia has been excessively politicized, creating a belief that the provinces are blocking the passing of the constitutional changes. The truth is otherwise, for the provinces have continually made efforts to reach a harmony of viewpoints in the most democratic way, and we will continue to make such efforts in the future. We must trust that through tolerance we will reach a common language on all issues over which accord has not yet been attained, Dolasevic said among other things. [passage omitted]

Bosnian Official Criticized Over Agrokomerc

Bosnia-Hercegovina Assembly Vote

LD242327 Belgrade TANJUG Domestic Service in Serbo-Croatina 1607 GMT 24 Dec 87

[Text] Sarajevo, 24 Dec (TANJUG)—Following a several hour-long discussion on responsibility for the Agrokomerc scandal, the Assembly of the SR of Bosnia-Hercegovina took a public vote and decided to pronounce public criticism of its President, Savo Cecur. According to the Assembly's assessment, Savo Cecur is responsible for failing to inform on time this highest organ of authority and self-management of the discovery of misuses and illegalities in Agrokomerc, which would have considerably decreased the material and other damage.

Belgrade Radio Criticism

AU272049 Belgrade Domestic Service in Serbo-Croatian 0900 GMT 27 Dec 87

[Ljubomir Nikolic commentary—from the "Sunday at 10" program]

[Text] The list of people responsible for the great plunder bearing the mark of Agrokomerc has not been completed even after the sessions held last week by the Bosnia-Hercegovina Assembly and the republican party leadership. Here is Ljubomir Nikolic:

The two sessions held by high bodies of the republic have provoked renewed confusion and dilemmas. The first one pertained to establishing the responsibility of Savo Cecur, president of the Bosnia-Hercegovina Assembly. Having been examined after the affair broke out and its consequences realized, his responsibility was then established. He admitted it himself and, therefore, public criticism was expressed against him. Despite the fact that such a sanction does not exist in the normative documents of the Bosnia-Hercegovina Assembly, it objectively represents punishment.

However, Cecur remained at the head of the highest republican representative body and 1 day later, at the republican LC Central Committee session, nobody raised the question of his party responsibility. He was apparently able to be responsible for a mistake in the work of a state organ and still remain clean in the party.

The situation becomes even more illogical when, a month ago after the procedure to establish his responsibility had already been opened, Savo Cecur's name was put on the list of the 10 most prominent Bosnia-Hercegovina officials who were nominated as candidates for the SFRY Presidency, that is, its vice-president who will head the collective chief of state as of next May.

Although it was expected before and during the LC Central Committee session that the question of party responsibility of high officials who had to resign from membership in the highest republican bodies would be raised, that did not happen. It seemed in this case that there are two yardsticks for responsibility—responsibility at the place of work and in the party. At a time when the LC of Bosnia-Hercegovina is rightfully demanding differentiation at all levels with a view to restoring confidence that was particularly undermined in the wake of reports on the Agrokomerc affair, the application of different yardsticks is not logical.

Bilbija Criticizes LCY Party Leadership

AU231245 Belgrade BORBA in Serbo-Croatian 15 Dec 87 p 2

[Djuro Bilbija commentary: "Abolishing What Has Been Abolished"]

[Text] Views about the LC are "nuanced" today in that they vary somewhat, like theories about the Marie Celeste. Some of the "nuances" can hardly be distinguished from one another, even in full daylight. The Party leaderships still do not admit that the LC is completely to blame. They are even less ready to make moves that would start from the fact that changes in the LCY are a prerequisite for any of the more serious changes in society and least ready of all to admit that many changes have become necessary because of the leaderships and the relation of forces among them, which too frequently yields powerlessness as its final result.

On the other hand, the membership often experiences the fate of a beached whale after an unsuccessful attempt to run away from the threatening "ocean" of political apathy and demoralization. Moreover, the so-called grassroots are more and more obviously divided between two extremes: either to leave the party ranks or to become the victim of an illusion that is very attractive in times of crisis, the illusion of solving things with the logic of "one blow," as Marx would put it.

On the other hand, those people in the leaderships and the grassroots are in a minority who would publicly agree with the assessment that Gojko Stanic made in Kumrovec recently: The basic problem of our political system is "the reign of party bureaucracy, which is above the system, irresponsible, and monopolistic." The majority both in the grassroots and in LC committees believe that unity can solve everything, and they overlook the fact that the historic shores can be bridged only by unity about the right aims and that unity exists only when it is about something, that it cannot be an empty abstraction or the "discipline of the backbone," and that it cannot be an aim in itself.

The LC had historic failures recently because it allowed its own leaderships to shunt it onto the track of being the party of the social order [partija poretka] and, together with the SAWP and self-management, being the transmission belt [transmisija] of the "party state." It was a crisis that completely brought to light the reasons that the LC should not have used particular ways and means, why it should have kept a critical distance between itself and power, and why it already should have drawn conclusions from the new historical processes, conclusions about considerable internal corrections of its own place and role in society.

The LC failed to deal with such corrections and innovations after its 11th congress. However, time has put this on the agenda, and time is a judge who cannot be bribed and always collects all the bills in the end. As could be expected, individuals have now taken up what the party failed to deal with as the "collective intellectual."

Thus, speaking in Kumrovec, Stanic suggested that the "LC should move in with the SAWP" and added: "I would literally abolish it as an independent organization in the way it exists now." A little before Stanic spoke, Dragan Veselinov (in a talk published in BORBA) had basically formulated the thesis that the party should abolish "its organization in the cells in the economy," so that its political arbitration would stop "at all points of official decision-making", so that "arbitration in the economy" could be left to the "market, accompanied by many forms of ownership, new methods of enterprise management, and the people's new position in production and distribution in Yugoslavia," that is, so that we could avoid "the extreme politicization of the economy" with its extremely dangerous consequences.

We have already burnt our fingers on the concept of the concealed "state party." However, will our problems be solved if the LC is "absorbed" by the SAWP or if party organizations in the economy are dissolved?

However, any serious search for the answer would have to start with an explanation of some questions first. These questions are as follows: Is the party as a whole participating in the "extreme politicization of the economy"; does it operate in the "area of arbitration in the economy" through its basic organizations; would the "domination of the party's political arbitration" really disappear if it literally "moved in" with the SAWP (would not the pressure on the SAWP as a transmission belt thereby only increase from within) or if it lost its "organizational cells" in the economy?

This is the minimum number of questions that one must not ignore. For the problem lies in the fact that political arbitration in the economy has never been realized through the basic LC organizations, and that, in this respect, the abolition of basic LC organizations—even if one were to go that far—would mean abolishing something that has already been abolished, because basic LC organizations cannot really influence even the election of the director. The "extreme" politicization of the economy goes through completely different channels. It is not even all LC committees that take part in this, but—together with basic LC organizations and state and political institutions—they are usually only executive branches of what really operates in the "area of arbitration in the economy." The problem also lies in the fact that under present conditions—particularly if nothing is changed in the LC and its orientations—nothing will be changed even by "moving" in with the SAWP. It could even happen that the political scope for people with socialist views, but without party membership cards would to a certain extent be restricted.

It is not at all necessary to dissolve party cells in the economy, nor to enclose the LC in the "reservation " of the SAWP in order to free the economy of extreme politicization, or to fill "the area of arbitration" with economic laws and self-managing initiatives, or to free the party membership, the SAWP, the Trade Unions, and self-management from the "lethal embrace of their guardian." Even if this were to happen the same river would just flow in a new bed and burst its banks after every monopolistic bureaucratic shower.

The problem is not solved with the "marital status" of the LC, nor with any reorganization of it.

The party would have to simultaneously take one step back, to return as a whole to the letter and spirit of its Program and to return its quite independent leadership to the statute furrow and the control of the membership, as well as one step forward listening to the sound of the times and creating a new type of vanguard role, liberated from all that could mean violence against the economy, socialism, and history.

Iranian Refugees Face Return To Dubayy

LD281702 Belgrade TANJUG Domestic Service in Serbo-Croatian 1626 GMT 28 Dec 87

[Text] Belgrade, 28 Dec (TANJUG)—According to reliable sources here, a group of eight Iranians who have since Saturday been in the transit area of Belgrade International Airport will be returned to Dubayy from where they arrived in Belgrade with forged Canadian visas.

Before making a decision to this effect, the Yugoslav authorities contacted Canadian embassy and representatives of the UN High Commissariat for refugees. Canada today confirmed that the visas were forged, thus, in fact, refusing to receive them while the High Commissariat for Refugees issued an official statement saying that the group did not fulfill conditions for protection by the commissariat.